

28/05/04

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2003

FOR

INDEPENDENT CAPITAL CORPORATION LIMITED

GYNCH SHAW MAURICE & CO
Chartered Certified Accountants and Registered Auditors



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INDEPENDENT CAPITAL CORPORATION LIMITED

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FOR THE YEAR ENDED 30 NOVEMBER 2003

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INDEPENDENT CAPITAL CORPORATION LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2003

DIRECTORS:	J M CHAMBOULIVE J CHAMBOULIVE M S ISPAHANI
SECRETARY:	B TASDIGHI
REGISTERED OFFICE:	3rd Floor 46 Albemarle Street London W1X 3FE
REGISTERED NUMBER:	02824402 (England and Wales)
AUDITORS:	Gynch Shaw Maurice & Co Chartered Certified Accountants and Registered Auditors GSM House 5 Glenthorne Road Friern Barnet London N11 3HU
BANKERS:	National Westminster Bank PLC St James's and Piccadilly P O Box 2 DG 208 Piccadilly London W1A 2DG

INDEPENDENT CAPITAL CORPORATION LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 30 NOVEMBER 2003**

The directors present their report with the financial statements of the company for the year ended 30 November 2003.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of acting as arranger between buyers and sellers of shares, stocks, bonds and other securities, managing investments and funds, and providing financial advisory services.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 30 November 2003.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors during the year under review were:

J M CHAMBOULIVE
J CHAMBOULIVE
M S ISPAHANI

The beneficial interests of the directors holding office on 30 November 2003 in the issued share capital of the company were as follows:

	30.11.03	1.12.02
Ordinary Shares 1.00 shares		
J M CHAMBOULIVE	20,000	20,000
J CHAMBOULIVE	-	-
M S ISPAHANI	-	-
Redeemable Preference Shares 1.00 shares		
J M CHAMBOULIVE	-	-
J CHAMBOULIVE	-	-
M S ISPAHANI	-	-

GOING CONCERN

The financial statements have been prepared on the going concern basis, and the directors are of opinion that the company will continue in existence in the next twelve months.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT CAPITAL CORPORATION LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 NOVEMBER 2003

AUDITORS

The auditors, Gynch Shaw Maurice & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


B TASDIGHI - Secretary

Date: 27.2.04

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
INDEPENDENT CAPITAL CORPORATION LIMITED**

We have audited the financial statements of INDEPENDENT CAPITAL CORPORATION LIMITED for the year ended 30 November 2003 on pages five to eleven. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 November 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Gynch Shaw Maurice & Co.

Gynch Shaw Maurice & Co
Registered Auditors
5 Glenthorne Road
Friern Barnet
London N11 3HU

GYNCH SHAW MAURICE & CO
CHARTERED CERTIFIED ACCOUNTANTS
5 GLENTHORNE ROAD
FRIERN BARNET
LONDON N11 3HU

Date: 27th February 2004

INDEPENDENT CAPITAL CORPORATION LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2003

		<u>2003</u>	<u>2002</u>
	Notes	£	£
TURNOVER		449,690	347,340
Cost of sales		<u>(77,389)</u>	<u>(106,273)</u>
GROSS PROFIT		372,301	241,067
Administrative expenses		<u>(355,901)</u>	<u>(280,484)</u>
		16,400	(39,417)
Other operating income		<u>6,500</u>	<u>3,600</u>
OPERATING PROFIT/(LOSS)	3	22,900	(35,817)
Interest receivable and similar income		<u>1,222</u>	<u>1,519</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		24,122	(34,298)
Tax on profit/(loss) on ordinary activities	4	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		24,122	(34,298)
Deficit brought forward		<u>(187,339)</u>	<u>(153,041)</u>
DEFICIT CARRIED FORWARD		<u>£(163,217)</u>	<u>£(187,339)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.


INDEPENDENT CAPITAL CORPORATION LIMITED

BALANCE SHEET
30 NOVEMBER 2003

		<u>2003</u>	<u>2002</u>
	Notes	£	£
CURRENT ASSETS:			
Debtors	5	104,143	123,174
Cash at bank and in hand		<u>160,836</u>	<u>130,680</u>
		264,979	253,854
CREDITORS: Amounts falling due within one year	6	<u>(18,196)</u>	<u>(11,193)</u>
NET CURRENT ASSETS:		<u>246,783</u>	<u>242,661</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		246,783	242,661
CREDITORS: Amounts falling due after more than one year	7	<u>(40,000)</u>	<u>(60,000)</u>
		<u>£206,783</u>	<u>£182,661</u>
CAPITAL AND RESERVES:			
Called up share capital	9	370,000	370,000
Profit and loss account		<u>(163,217)</u>	<u>(187,339)</u>
SHAREHOLDERS' FUNDS (including non-equity interests):	15	<u>£206,783</u>	<u>£182,661</u>

ON BEHALF OF THE BOARD:


.....
J M CHAMBOULIVE - Director


.....
M S ISPAHANI - Director

Approved by the Board on 27-2-2004.....

The notes form part of these financial statements

INDEPENDENT CAPITAL CORPORATION LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2003

		<u>2003</u>	<u>2002</u>
	Notes	£	£
Net cash inflow/(outflow) from operating activities	1	47,964	(128,537)
Returns on investments and servicing of finance	2	1,222	1,519
Taxation		<u>(225)</u>	<u>-</u>
		48,961	(127,018)
Financing	2	<u>(18,735)</u>	<u>20,000</u>
Increase/(Decrease) in cash in the period		<u><u>£30,226</u></u>	<u><u>£(107,018)</u></u>

Reconciliation of net cash flow to movement in net funds	3		
Increase/(Decrease) in cash in the period		<u>30,226</u>	<u>(107,018)</u>
Change in net funds resulting from cash flows		<u>30,226</u>	<u>(107,018)</u>
Movement in net funds in the period		30,226	(107,018)
Net funds at 1 December		<u>130,610</u>	<u>237,628</u>
Net funds at 30 November		<u><u>£160,836</u></u>	<u><u>£130,610</u></u>

The notes form part of these financial statements

INDEPENDENT CAPITAL CORPORATION LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2003

1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2003 £	2002 £
Operating profit/(loss)	22,900	(35,817)
Decrease/(Increase) in debtors	19,031	(77,069)
Increase/(Decrease) in creditors	<u>6,033</u>	<u>(15,651)</u>
Net cash inflow/(outflow) from operating activities	<u><u>47,964</u></u>	<u><u>(128,537)</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2003 £	2002 £
Returns on investments and servicing of finance		
Interest received	<u>1,222</u>	<u>1,519</u>
Net cash inflow for returns on investments and servicing of finance	<u><u>1,222</u></u>	<u><u>1,519</u></u>
Financing		
Amount withdrawn by directors	<u>(18,735)</u>	<u>20,000</u>
Net cash (outflow)/inflow from financing	<u><u>(18,735)</u></u>	<u><u>20,000</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.12.02 £	Cash flow £	At 30.11.03 £
Net cash:			
Cash at bank and in hand	130,680	30,156	160,836
Bank overdraft	<u>(70)</u>	<u>70</u>	<u>-</u>
	<u><u>130,610</u></u>	<u><u>30,226</u></u>	<u><u>160,836</u></u>
Total	<u><u>130,610</u></u>	<u><u>30,226</u></u>	<u><u>160,836</u></u>
Analysed in Balance Sheet			
Cash at bank and in hand	130,680		160,836
Bank overdraft	<u>(70)</u>		<u>-</u>
	<u><u>130,610</u></u>		<u><u>160,836</u></u>

The notes form part of these financial statements

INDEPENDENT CAPITAL CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2003

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net amount between the sell and buy ticket values for arranged trades during the year, excluding value added tax.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. STAFF COSTS

	2003	2002
	£	£
Wages and salaries	124,133	71,200
Social security costs	14,765	8,258
Other medical insurance	<u>7,721</u>	<u>8,287</u>
	<u>146,619</u>	<u>87,745</u>

The average monthly number of employees during the year was as follows:

	2003	2002
Administrative and selling	<u>3</u>	<u>3</u>

3. OPERATING PROFIT/(LOSS)

The operating profit (2002 - operating loss) is stated after charging:

	2003	2002
	£	£
Auditors' remuneration	<u>6,000</u>	<u>4,700</u>
Directors' emoluments	<u>99,133</u>	<u>58,333</u>

4. TAXATION

Analysis of the tax charge

No liability to UK Corporation tax arose on ordinary activities for the year ended 30 November 2003 nor for the year ended 30 November 2002.

INDEPENDENT CAPITAL CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2003

**5. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003	2002
	£	£
Trade debtors	54,938	18,712
Sundry debtors	34,631	37,590
Prepayments and accrued income	14,574	66,872
	<u>104,143</u>	<u>123,174</u>

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003	2002
	£	£
Bank loans and overdrafts (see note 8)	-	70
Trade creditors	2,006	3,626
Sundry creditors and accruals	9,628	5,980
Social security & other taxes	6,562	1,517
	<u>18,196</u>	<u>11,193</u>

**7. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2003	2002
	£	£
Subordinated loan: Jemerik SA (see note 8)	30,000	30,000
Subordinated loan: J M Chamboulive (see note 8)	10,000	30,000
	<u>40,000</u>	<u>60,000</u>

8. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2003	2002
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>-</u>	<u>70</u>
Amounts falling due between two and five years:		
Subordinated loan: Jemerik SA	30,000	30,000
Subordinated loan: J M Chamboulive	10,000	30,000
	<u>40,000</u>	<u>60,000</u>

INDEPENDENT CAPITAL CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2003

9. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2003 £	2002 £
150,000	Ordinary Shares	1.00	150,000	150,000
220,000	Redeemable Preference Shares	1.00	<u>220,000</u>	<u>220,000</u>
			<u>370,000</u>	<u>370,000</u>

10. ULTIMATE PARENT COMPANY

The ultimate holding company is Jemerik SA which holds 87 per cent of the Ordinary Share Capital.

11. CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date.

12. CAPITAL COMMITMENTS

The company entered into a lease agreement with a third party for five from 24 March 2001 to 24 March 2006, to pay an annual rent of £25,000. Therefore the financial commitment at the balance sheet amount to £60,417 for the remainder of the lease period and is included in the accounts.

13. RELATED PARTY DISCLOSURES

Two of the directors of the company receive remuneration for their services and these were properly recorded in the accounts together with the expenses paid for them. Expenses paid by the director on behalf of the company are recorded through the director's current account. One of the directors has provided a subordinated loan to the company for £10,000.

14. POST BALANCE SHEET EVENTS

There were no events which took place after the balance sheet date which are required to be reflected in the financial statements or that will change the financial position of the company.

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003 £	2002 £
Profit/(Loss) for the financial year	<u>24,122</u>	<u>(34,298)</u>
Net addition/(reduction) to shareholders' funds	24,122	(34,298)
Opening shareholders' funds	<u>182,661</u>	<u>216,959</u>
Closing shareholders' funds	<u><u>206,783</u></u>	<u><u>182,661</u></u>
Equity interests	(13,217)	(37,339)
Non-equity interests	<u>220,000</u>	<u>220,000</u>
	<u><u>206,783</u></u>	<u><u>182,661</u></u>

INDEPENDENT CAPITAL CORPORATION LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2003

	<u>2003</u>		<u>2002</u>	
	£	£	£	£
Income:				
Fee and commission receivable	449,690		224,409	
Management fee receivable	<u>-</u>		<u>122,931</u>	
		449,690		347,340
Cost of sales:				
Trade fee and commission payable		<u>77,389</u>		<u>106,273</u>
GROSS PROFIT		372,301		241,067
Other income:				
Sundry income	6,500		3,600	
Interest receivable	<u>1,222</u>		<u>1,519</u>	
		<u>7,722</u>		<u>5,119</u>
		380,023		246,186
Expenditure:				
Directors' remuneration	99,133		58,333	
Social security	11,959		7,048	
Staff costs	25,000		12,867	
Social security	2,806		1,210	
Medical insurance	7,721		8,287	
Auditors remuneration	6,000		4,700	
Entertainment	28,107		10,850	
Marketing fee	44,173		45,278	
Management fee payable	-		7,293	
Rent, rates and service charge	26,890		28,894	
Insurance and professional indemnity	619		519	
Light and heat	693		329	
Repairs and maintenance	3,350		1,400	
Subscription and registration	1,796		1,889	
Travel and subsistence	21,269		12,641	
Legal and professional fees	469		414	
Telephone and communications	8,412		11,904	
Donations	2,260		2,160	
Printing, postage and stationery	1,129		1,577	
Office equipment rental	24,823		25,017	
Staff welfare	1,329		2,345	
Office cleaning	1,586		1,510	
Company secretarial	250		1,400	
Book keeping and administration	23,163		22,244	
Sundry expenses	<u>249</u>		<u>177</u>	
		<u>343,186</u>		<u>270,286</u>
		36,837		(24,100)
Finance costs:				
Bank charges	1,425		1,416	
Foreign exchange loss/(profit)	<u>11,290</u>		<u>8,782</u>	
		<u>12,715</u>		<u>10,198</u>
NET PROFIT/(LOSS)		<u><u>£24,122</u></u>		<u><u>£(34,298)</u></u>

This page does not form part of the statutory financial statements