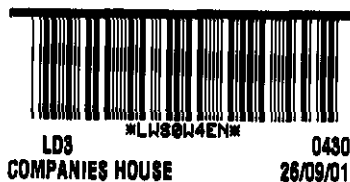


ABROS Enterprise Ltd

FINANCIAL STATEMENTS

for the year ended

31 December 2000



Company Registration No. 3172232

ABROS Enterprise Ltd

DIRECTORS AND OFFICERS

DIRECTORS

R L John
I E Ruddock
B D Denton
S M Ruddock
R M Stanley

SECRETARY

R M Stanley

COMPANY NUMBER

3172232 (England and Wales)

REGISTERED OFFICE

Cheapside House
138 Cheapside
London, EC2V 6BB

AUDITORS

Baker Tilly
2 Bloomsbury Street
London, WC1B 3ST

BUSINESS ADDRESS

6th Floor, Thavies Inn House
3-4 Holborn Circus
London, EC1N 2HL

BANKERS

National Westminster Bank
PO Box 12258
1 Prince's Street
London, EC2R 8PA

SOLICITORS

Bates, Wells & Braithwaite
Cheapside House
138 Cheapside
London, EC2V 6BB

ABROS Enterprise Ltd

DIRECTORS' REPORT

The directors submit their report and financial statements of ABROS Enterprise Ltd for the year ended 31 December 2000.

CHAIRMAN'S STATEMENT

2000 has been a successful year for ABROS seeing significant growth in both turnover and profits. The solid foundations laid in 1999 have provided a good base for growth in our key market sectors.

Turnover has increased by some 71% over 1999. There are a number of contributing factors to this strong performance: the intensive work required to achieve Financial Close on a number of PFI deals in the education sector; the investment in research and development on new areas, particularly housing PFI, in 1999 has led to the securing of a number of new mandates; and, the overall improved utilisation of staff reflecting investment in training and recruitment.

In the education sector we closed two pathfinder group school schemes - Stoke-on-Trent and Haringey - making ABROS the leading advisor in the PFI education sector. Shortly after the year end, this position was further consolidated by closing a further two deals. The team is also retained financial advisor to the FocusEducation consortium, a joint venture between Bovis Lend Lease and the Halifax. There has been a significant investment in time working with FocusEducation and it is expected that this will lead to enhanced returns in 2001 and beyond. The team recognises the importance to both public and private sector clients of having a business which services both "sides". In the housing sector, ABROS is advisor to the public sector on two of the first four pathfinder projects - Manchester City Council and London Borough of Newham. Our involvement in the housing sector is mirroring that of the education sector, where we built the reputation as the leading advisor to the public sector. Our involvement on the bidding side with the private sector consortium to date has been limited, but we are now considering opportunities for 2001.

In the regeneration and property sectors, we have been retained as advisor on a number of high profile schemes across the country. These schemes, by their very nature, are long term projects and are dependent, to a large degree, on availability of government funding. It is the intention of the team to continue to work with a small number of proactive organisations in delivering these large scale schemes. Our strength is in creating new financing structures to address funding needs.

To enable this success to continue and to secure mandates with clients, it is critical that the company continues to invest in its people. The company has a continuous recruitment policy, seeking out the most talented individuals in the market place. It is only through focused recruitment, and the continuous investment in and training of the existing staff that we will be able to meet the exacting needs of our client base.

The commitment of the new government to focus on service delivery means continued investment in our chosen sectors. We now have the reputation and the team to assist our public sector clients to deliver the exacting targets set by the government. We have the knowledge of public sector procurement to support our private sector clients. Our business model is robust, and ABROS has a strong future. Our main aim for 2001 is to build on existing client relationships, to increase our resource and for us, and them, to enjoy working together.

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of financial consultants.

ABROS Enterprise Ltd

DIRECTORS' REPORT (CONTINUED)

DIRECTORS

The following directors have held office since 1 January 2000:-

R L John	
C A Booy	(Resigned 27 January 2000)
I E Ruddock	
B D Denton	
S M Ruddock	(Appointed 21 July 2000)
R M Stanley	(Appointed 23 April 2001)

DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:

	<i>A ordinary shares of £ 1 each</i>	
	31.12.00	1.1.00
R L John	500	-
I E Ruddock	2,125	3,250
B D Denton	4,250	3,250
S M Ruddock	2,125	-

	<i>B ordinary shares of £ 1 each</i>	
	31.12.00	1.1.00
R L John	-	500
I E Ruddock	-	-
B D Denton	-	-
S M Ruddock	-	-

	<i>8.5% cumulative preference shares of £ 1 each</i>	
	31.12.00	1.1.00
R L John	-	-
I E Ruddock	-	-
B D Denton	-	-
S M Ruddock	-	-

ABROS Enterprise Ltd

DIRECTORS' REPORT (CONTINUED)

AUDITORS

Baker Tilly were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



I E Ruddock
Director

20th Sept 2001

ABROS Enterprise Ltd

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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.

AUDITORS' REPORT TO THE SHAREHOLDERS OF ABROS ENTERPRISE LTD

We have audited the financial statements on pages 7 to 13.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Baker Tilly

Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London, WC1B 3ST

20 September 2001

ABROS Enterprise Ltd
PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2000

	<i>Notes</i>	2000 £	1999 £
TURNOVER		1,157,735	677,293
Other operating expenses	1	905,258	599,983
OPERATING PROFIT		252,477	77,310
Investment income	2	11,268	9,010
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	263,745	86,320
Taxation		51,965	17,811
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		211,780	68,509
Dividends (including those in respect of non-equity shares)	5	-	2,870
RETAINED PROFIT FOR THE YEAR	10	211,780	65,639

The operating profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

ABROS Enterprise Ltd

BALANCE SHEET

31 December 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible assets	6	30,141	20,375
CURRENT ASSETS			
Debtors	7	262,767	145,375
Cash at bank and in hand		258,122	157,391
		<u>520,889</u>	<u>302,766</u>
CREDITORS: Amounts falling due within one year	8	119,944	103,835
NET CURRENT ASSETS		<u>400,945</u>	<u>198,931</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>431,086</u>	<u>219,306</u>
CAPITAL AND RESERVES			
Called up share capital	9	10,000	10,000
Profit and loss account	10	421,086	209,306
		<u>431,086</u>	<u>219,306</u>
SHAREHOLDERS' FUNDS	11	<u>431,086</u>	<u>219,306</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on 20th Sept 2001

I E Ruddock  Director

ABROS Enterprise Ltd

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Plant and machinery	25% per annum
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DEFERRED TAXATION

Provision is made for taxation deferred or accelerated by the effect of timing differences, to the extent that it is probable that a liability will crystallise, at the rate expected to be ruling at that date.

PENSIONS CONTRIBUTIONS

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

TURNOVER

Turnover represents amounts receivable for goods and services provided in the U.K. net of VAT and trade discounts.

ABROS Enterprise Ltd

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2000

1. OTHER OPERATING EXPENSES	2000 £	1999 £
Administrative expenses	<u>905,258</u>	<u>599,983</u>
2. INVESTMENT INCOME	2000 £	1999 £
Bank interest	<u>11,268</u>	<u>9,010</u>
3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2000 £	1999 £
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation of tangible assets:		
Charge for the year:		
owned assets	8,394	9,701
Auditors' remuneration	<u>4,000</u>	<u>2,675</u>
4. DIRECTORS' REMUNERATION	2000 £	1999 £
Amounts paid to directors	<u>320,305</u>	<u>206,500</u>
During the year, 2 (1999 - 2) directors accrued benefits under money purchase pension schemes.		
5. DIVIDENDS	2000 £	1999 £
Dividends on non-equity shares:		
Preference:		
Interim paid - - (1999 - £2,870.00)	<u>-</u>	<u>2,870</u>

ABROS Enterprise Ltd

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2000

6. TANGIBLE FIXED ASSETS

	<i>Plant and machinery</i> £
Cost	
1 January 2000	43,184
Additions	18,160
	<hr/>
31 December 2000	61,344
	<hr/>
Depreciation	
1 January 2000	22,809
Charge in the year	8,394
	<hr/>
31 December 2000	31,203
	<hr/>
Net book value	
31 December 2000	30,141
	<hr/>
31 December 1999	20,375
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7. DEBTORS

	2000 £	1999 £
Due within one year		
Trade debtors	241,854	145,375
Other debtors	20,913	-
	<hr/>	<hr/>
	262,767	145,375
	<hr/>	<hr/>

8. CREDITORS: Amounts falling due within one year

	2000 £	1999 £
Trade creditors	2,774	53,978
Corporation tax	52,178	17,536
Other taxes and social security costs	60,341	26,146
Other creditors	4,651	6,175
	<hr/>	<hr/>
	119,944	103,835
	<hr/>	<hr/>

ABROS Enterprise Ltd

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2000

9. SHARE CAPITAL	2000 £	1999 £
Authorised		
A ordinary shares of £ 1 each	10,000	7,000
B ordinary shares of £ 1 each	-	3,000
8.5% cumulative preference shares of £ 1 each	90,000	90,000
	<u>100,000</u>	<u>100,000</u>
 Allotted, issued and fully paid		
A ordinary shares of £ 1 each	10,000	7,000
B ordinary shares of £ 1 each	-	3,000
	<u>10,000</u>	<u>10,000</u>

On the 10 May 2000 a resolution was passed by the members of the company which redesignated the B Ordinary shares of £1 each as A Ordinary Shares of £1 each.

A and B ordinary shares have the same rights except for the fact that the A shares can be transferred to other group companies and that the holders of the A shares are entitled to appoint two directors and the holders of B shares are entitled to appoint one director. A sale notice is assumed if the holders of B shares cease to be Directors or employees of the company.

10. STATEMENT OF MOVEMENT ON RESERVES

	<i>Profit and loss account</i> £
1 January 2000	209,306
Retained profit for the year	<u>211,780</u>
31 December 2000	<u>421,086</u>

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2000 £	1999 £
Profit for the financial year	211,780	68,509
Dividends	-	(2,870)
Purchase of own shares	-	(45,000)
	<u>211,780</u>	<u>20,639</u>
Net addition to shareholders' funds	211,780	20,639
Opening shareholders' funds	<u>219,306</u>	<u>198,667</u>
Closing shareholders' funds	<u>431,086</u>	<u>219,306</u>

ABROS Enterprise Ltd

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2000

12. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £8,400 (1999 - nil).

13 RELATED PARTY TRANSACTIONS

During the year, 25% of the issued share capital owned by Symonds Group Limited was acquired by the directors. The company paid rent to Symmond of £14,583 (1999 - £25,000). R L John, a director of the company, provided consulting and management services amounting to £3,056 (1999 - £21,218).