

STERLING CREDIT GUARANTEE COMPANY PLC
FINANCIAL STATEMENTS
31 DECEMBER 2007



LB GROUP
Chartered Accountants & Registered Auditors
1 Vicarage Lane
Stratford
London
E15 4HF

STERLING CREDIT GUARANTEE COMPANY PLC

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

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STERLING CREDIT GUARANTEE COMPANY PLC

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

C J Emson
J K Farrell
J M Bottomley
N D Pilbrow

Company secretary

J M Bottomley

Registered office

One America Square
London
EC3N 2SG

Auditor

LB Group
Chartered Accountants
& Registered Auditors
1 Vicarage Lane
Stratford
London
E15 4HF

Bankers

National Westminster Bank Plc
1 Princess Street
London
EC2R 8PH

Solicitors

Jones Day Gouldens
10 Old Bailey
London
EC4M 7NG

STERLING CREDIT GUARANTEE COMPANY PLC

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2007

The directors present their report and the financial statements of the company for the year ended 31 December 2007

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was to research and develop new financing concepts, operating as principal in the receipt and provision of documentary credits for trade finance.

RESULTS AND DIVIDENDS

The profit for the year amounted to £nil. The directors have not recommended a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

a) the financial risk management objectives and policies of the company including the policy for hedging each major type of forecasted transaction for which hedge accounting is used, and

b) the exposure of the company to price risk, credit risk, liquidity risk and cash flow risk,

unless such information is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

DIRECTORS

The directors who served the company during the year were as follows:

C J Emson
J K Farrell
J M Bottomley
N D Pilbrow

POLICY ON THE PAYMENT OF CREDITORS

It is the company's policy to negotiate and clearly communicate the terms of payment as part of the commercial arrangement negotiated with suppliers and then pay according to those terms based upon the timely receipt of an accurate invoice.

STERLING CREDIT GUARANTEE COMPANY PLC

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2007

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

In so far as the directors are aware

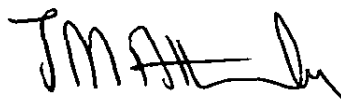
- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

A resolution to re-appoint LB Group as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office
One America Square
London
EC3N 2SG

Signed by order of the directors



J M BOTTOMLEY
Company Secretary

Approved by the directors on 23-7-08

STERLING CREDIT GUARANTEE COMPANY PLC
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
STERLING CREDIT GUARANTEE COMPANY PLC *(continued)*

YEAR ENDED 31 DECEMBER 2007

We have audited the financial statements of Sterling Credit Guarantee Company PLC for the year ended 31 December 2007, which have been prepared on the basis of the accounting policies set out on page 10

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report 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 International Standards on Auditing (UK and Ireland) 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.

STERLING CREDIT GUARANTEE COMPANY PLC
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
STERLING CREDIT GUARANTEE COMPANY PLC *(continued)*

YEAR ENDED 31 DECEMBER 2007

OPINION

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

1 Vicarage Lane
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London
E15 4HF



LB GROUP
Chartered Accountants
& Registered Auditors

28 July 2008

STERLING CREDIT GUARANTEE COMPANY PLC

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2007

	Note	2007 £	2006 £
TURNOVER		—	—
Administrative expenses		—	—
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		—	—
Tax on profit on ordinary activities		—	—
PROFIT FOR THE FINANCIAL YEAR		—	—
Balance brought forward		(50,100)	(50,100)
Balance carried forward		<u>(50,100)</u>	<u>(50,100)</u>

All of the activities of the company are classed as continuing

The notes on pages 10 to 11 form part of these financial statements

STERLING CREDIT GUARANTEE COMPANY PLC

STATEMENT OF RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 DECEMBER 2007

	2007	2006
	£	£
Opening shareholders' equity deficit	(100)	(100)
Closing shareholders' equity deficit	<u>(100)</u>	<u>(100)</u>

The notes on pages 10 to 11 form part of these financial statements.

STERLING CREDIT GUARANTEE COMPANY PLC

BALANCE SHEET

31 DECEMBER 2007

	Note	2007 £	2006 £
CREDITORS: Amounts falling due within one year	4	100	100
TOTAL ASSETS LESS CURRENT LIABILITIES		(100)	(100)
CAPITAL AND RESERVES			
Called-up equity share capital	6	50,000	50,000
Profit and loss account		(50,100)	(50,100)
DEFICIT		(100)	(100)

These financial statements were approved by the directors and authorised for issue on 23-7-08, and are signed on their behalf by

> C10

C J EMSON
Director



The notes on pages 10 to 11 form part of these financial statements.

STERLING CREDIT GUARANTEE COMPANY PLC

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2007

	Note	2007 £	2006 £
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
		2007 £	2006 £
Net cash inflow from operating activities		<u>—</u>	<u>—</u>

The notes on pages 10 to 11 form part of these financial statements

STERLING CREDIT GUARANTEE COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. OPERATING PROFIT

Operating profit is stated after crediting

	2007 £	2006 £
Directors' emoluments	—	—
Auditor's remuneration - as auditor	—	—
	<u>—</u>	<u>—</u>

Auditors' remuneration is borne by Sterling Corporate Services Limited

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2007 No	2006 No
Number of administrative staff	<u>4</u>	<u>4</u>

No salaries or wages have been paid to employees, including the directors, during the year

4. CREDITORS: Amounts falling due within one year

	2007 £	2006 £
Other creditors	<u>100</u>	<u>100</u>

5. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under FRS8, Related Party Transactions, not to disclose transactions or balances with parent undertaking and subsidiary undertakings where the holdings exceeds 90%.

STERLING CREDIT GUARANTEE COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

6. SHARE CAPITAL

Authorised share capital:

	2007 £	2006 £
10,000,000 Ordinary shares of £0.01 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2007 No	£	2006 No	£
Ordinary shares of £0.01 each	<u>5,000,000</u>	<u>50,000</u>	<u>5,000,000</u>	<u>50,000</u>

7. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Robert Fraser Asset Management Limited, a company registered in England and Wales

The immediate parent undertaking at the balance sheet date was Egerton Holdings Limited, a company registered in The Bahamas. However, on 31 March 2008, Emson and Dudley Limited acquired 87.27% of the share capital in Robert Fraser Asset Management Limited and is now the ultimate holding undertaking.

The accounts of Robert Fraser Asset Management Limited will be available from One America Square, London, EC3N 2SG and Companies House.