

Company Registration No. 3994446 (England and Wales)

COMPANIES HOUSE COPY

**WISE CAPITAL LIMITED**

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2002**



 **Hacker  
Young**  
Chartered Accountants

St Alphage House 2 Fore Street London EC2Y 5DH

# **WISE CAPITAL LIMITED**

## **COMPANY INFORMATION**

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<b>Director</b>	R H D Wise
<b>Secretary</b>	Jordan Company Secretaries Limited
<b>Company number</b>	3994446
<b>Registered office</b>	20-22 Bedford Row London WC1R 4JS
<b>Auditors</b>	Hacker Young St Alphage House 2 Fore Street London EC2Y 5DH

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# **WISE CAPITAL LIMITED**

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# WISE CAPITAL LIMITED

## DIRECTOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2002

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The director presents his report and financial statements for the year ended 30 June 2002.

### Principal activities and review of the business

The company provides advice on, and arranges deals in equity and other investments. It is regulated by the Financial Services Authority and is authorised by that body to carry out investment business.

The results for the year and the financial position at the year end were considered satisfactory by the director who expects continued growth in the foreseeable future.

### Results and dividends

The results for the year are set out on page 3.

An interim ordinary dividend was paid amounting to £52,000. The director does not recommend payment of a final dividend.

### Director

The following director has held office since 1 July 2001:

R H D Wise

### Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	30 June 2002	1 July 2001
R H D Wise	100,000	100,000

### Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Hacker Young be reappointed as auditors of the company will be put to the Annual General Meeting.

### Director's responsibilities

The director is required by the Companies Act 1985 to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for that period. It is also the director's responsibility to maintain adequate accounting records, safeguard the assets of the company and take reasonable steps in preventing and detecting fraud and other irregularities.

The director confirms that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the accounts on a going concern basis.

On behalf of the board



R H D Wise

Director

26 September 2002



Chartered Accountants

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF WISE CAPITAL LIMITED**

St Alphage House  
2 Fore Street  
London EC2Y 5DH

We have audited the financial statements of Wise Capital Limited on pages 3 to 12 for the year ended 30 June 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

**Respective responsibilities of the director and auditors**

As described in the statement of director's responsibilities on page 1 the company's director is responsible for the preparation of the 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 director's report 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 director's remuneration and transactions with the company is not disclosed.

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

**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 director 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 June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Hacker Young**  
Chartered Accountants  
Registered Auditors

26 September 2002

# WISE CAPITAL LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2002

	Notes	2002 £	2001 £
Turnover	2	495,536	23,566
Administrative expenses		<u>(258,770)</u>	<u>(117,886)</u>
Operating profit/(loss)	3	236,766	(94,320)
Other interest receivable and similar income	4	<u>1,800</u>	<u>405</u>
Profit/(loss) on ordinary activities before taxation		238,566	(93,915)
Tax on profit/(loss) on ordinary activities	5	<u>(30,250)</u>	<u>-</u>
Profit/(loss) on ordinary activities after taxation		208,316	(93,915)
Dividends	6	<u>(52,000)</u>	<u>-</u>
Retained profit/(loss) for the year	14	<u><u>156,316</u></u>	<u><u>(93,915)</u></u>

The company's operation in the year continued unchanged; no operations were disposed of or acquired.

There are no recognised gains and losses other than those passing through the profit and loss account.

# WISE CAPITAL LIMITED

## BALANCE SHEET AS AT 30 JUNE 2002

	Notes	2002 £	2001 £
<b>Fixed assets</b>			
Tangible assets	7	3,894	5,806
Investments	8	10,000	-
		<u>13,894</u>	<u>5,806</u>
<b>Current assets</b>			
Debtors	9	25,615	12,308
Cash at bank and in hand		169,495	19,314
		<u>195,110</u>	<u>31,622</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(45,853)</u>	<u>(11,343)</u>
<b>Net current assets</b>		<u>149,257</u>	<u>20,279</u>
<b>Total assets less current liabilities</b>		<u>163,151</u>	<u>26,085</u>
<b>Creditors: amounts falling due after more than one year</b>	11	-	(20,000)
<b>Provisions for liabilities and charges</b>	12	<u>(750)</u>	<u>-</u>
		<u>162,401</u>	<u>6,085</u>
<b>Capital and reserves</b>			
Called up share capital	13	100,000	100,000
Profit and loss account	14	62,401	(93,915)
<b>Shareholders' funds - equity interests</b>	18	<u>162,401</u>	<u>6,085</u>

The financial statements were approved by the Board on 26 September 2002



R H D Wise  
Director

# WISE CAPITAL LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2002

	Notes	£	2002 £	£	2001 £
<b>Net cash inflow/(outflow) from operating activities</b>	<b>15</b>		230,381		(93,445)
<b>Returns on investments and servicing of finance</b>					
Interest received		1,800		405	
<b>Net cash inflow for returns on investments and servicing of finance</b>			1,800		405
<b>Capital expenditure and financial investment</b>					
Payments to acquire tangible assets		-		(7,646)	
Payments to acquire investments		(10,000)		-	
<b>Net cash outflow for capital expenditure</b>			(10,000)		(7,646)
<b>Equity dividends paid</b>			(52,000)		-
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>			170,181		(100,686)
<b>Financing</b>					
Issue of ordinary share capital		-		100,000	
Other new long term loans		-		20,000	
Repayment of other long term loans		(20,000)		-	
<b>Net cash (outflow)/inflow from financing</b>			(20,000)		120,000
<b>Increase in cash in the year</b>	<b>16</b>		150,181		19,314



# WISE CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

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### **1 Accounting policies**

#### **1.1 Basis of preparation**

The financial statements are prepared under the historical cost convention.

#### **1.2 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### **1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	25% per annum straight line
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#### **1.4 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

#### **1.5 Pensions**

Payments to the company's defined contribution pension scheme are charged to the profit and loss account as they become payable.

#### **1.6 Deferred taxation**

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment.

#### **1.7 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### **2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

# WISE CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

<b>3</b>	<b>Operating profit/(loss)</b>	<b>2002</b>	<b>2001</b>
		<b>£</b>	<b>£</b>
	Operating profit/(loss) is stated after charging:		
	Depreciation of tangible assets	1,912	1,840
	Loss on foreign exchange transactions	-	112
	Auditors' remuneration	1,500	1,200
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Other interest receivable and similar income</b>	<b>2002</b>	<b>2001</b>
		<b>£</b>	<b>£</b>
	Bank interest	1,800	405
		<u>          </u>	<u>          </u>
<b>5</b>	<b>Taxation</b>	<b>2002</b>	<b>2001</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	29,500	-
		<u>          </u>	<u>          </u>
	<b>Current tax charge</b>	29,500	-
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	750	-
		<u>          </u>	<u>          </u>
		30,250	-
		<u>          </u>	<u>          </u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit/(loss) on ordinary activities before taxation	238,566	(93,915)
		<u>          </u>	<u>          </u>
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2001 : 20.00%)	47,713	(18,783)
		<u>          </u>	<u>          </u>
	Effects of:		
	Non deductible expenses	235	1,193
	Depreciation	382	368
	Capital allowances	-	(1,529)
	Tax losses utilised	(18,751)	18,751
	Other tax adjustments	(79)	-
		<u>          </u>	<u>          </u>
		(18,213)	18,783
		<u>          </u>	<u>          </u>
	<b>Current tax charge</b>	29,500	-
		<u>          </u>	<u>          </u>

# WISE CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

6 Dividends	2002	2001
	£	£
Ordinary interim paid	<u>52,000</u>	<u>-</u>
7 Tangible fixed assets		
		Fixtures, fittings & equipment £
Cost		
At 1 July 2001 & at 30 June 2002		<u>7,646</u>
Depreciation		
At 1 July 2001		1,840
Charge for the year		<u>1,912</u>
At 30 June 2002		<u>3,752</u>
Net book value		
At 30 June 2002		<u>3,894</u>
At 30 June 2001		<u>5,806</u>
8 Fixed asset investments		
		Unlisted investments £
Cost		
At 1 July 2001		-
Additions		<u>10,000</u>
At 30 June 2002		<u>10,000</u>

# WISE CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

<b>9 Debtors</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,029	350
Other debtors	4,500	7,544
Prepayments and accrued income	20,086	4,414
	<u>25,615</u>	<u>12,308</u>
<b>10 Creditors: amounts falling due within one year</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Trade creditors	8,278	8,688
Corporation tax	29,500	-
Other taxes and social security costs	4,975	905
Accruals and deferred income	3,100	1,750
	<u>45,853</u>	<u>11,343</u>
<b>11 Creditors: amounts falling due after more than one year</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Shareholder loans	-	20,000
	<u>-</u>	<u>20,000</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	-	20,000
	<u>-</u>	<u>20,000</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	-	20,000
	<u>-</u>	<u>20,000</u>

# WISE CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

### 12 Provisions for liabilities and charges

	Deferred taxation £
Profit and loss account	750
Balance at 30 June 2002	750

Deferred taxation provided in the financial statements is as follows:

	2002 £	2001 £
Accelerated capital allowances	750	-

### 13 Share capital

	2002 £	2001 £
<b>Authorised</b>		
100,000 Ordinary shares of £ 1 each	100,000	100,000
<b>Allotted, called up and fully paid</b>		
100,000 Ordinary shares of £ 1 each	100,000	100,000

### 14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2001	(93,915)
Retained profit for the year	156,316
Balance at 30 June 2002	62,401

# WISE CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

<b>15 Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Operating profit/(loss)	236,766	(94,320)
Depreciation of tangible assets	1,912	1,840
Increase in debtors	(13,307)	(12,308)
Increase in creditors within one year	5,010	11,343
Net cash inflow/(outflow) from operating activities	<u>230,381</u>	<u>(93,445)</u>
<b>16 Analysis of net debt</b>	<b>1 July 2001</b>	<b>Cash flow 30 June 2002</b>
	<b>£</b>	<b>£</b>
Net cash:		
Cash at bank and in hand	<u>19,314</u>	<u>150,181</u>
Debt:		
Debts falling due after one year	<u>(20,000)</u>	<u>20,000</u>
Net debt	<u>(686)</u>	<u>169,495</u>
<b>17 Reconciliation of net cash flow to movement in net debt</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Increase in cash in the year	150,181	19,314
Cash outflow/(inflow) from decrease/(increase) in debt	<u>20,000</u>	<u>(20,000)</u>
Movement in net funds/(debt) in the year	170,181	(686)
Opening net debt	<u>(686)</u>	<u>-</u>
Closing net funds/(debt)	<u>169,495</u>	<u>(686)</u>

# WISE CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

<b>18 Reconciliation of movements in shareholders' funds</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Profit/(Loss) for the financial year	208,316	(93,915)
Dividends	(52,000)	-
	<hr/>	<hr/>
	156,316	(93,915)
Proceeds from issue of shares	-	100,000
	<hr/>	<hr/>
Net addition to shareholders' funds	156,316	6,085
Opening shareholders' funds	6,085	-
	<hr/>	<hr/>
Closing shareholders' funds	<u>162,401</u>	<u>6,085</u>
	<hr/>	<hr/>
<b>19 Director's emoluments</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Emoluments for qualifying services	<u>121,089</u>	<u>-</u>
	<hr/>	<hr/>
<b>20 Employees</b>		
<b>Number of employees</b>		
The average monthly number of employees (including director) during the year was:		
	<b>2002</b>	<b>2001</b>
	<b>Number</b>	<b>Number</b>
Administration	<u>2</u>	<u>2</u>
	<hr/>	<hr/>
<b>Employment costs</b>		
	<b>£</b>	<b>£</b>
Wages and salaries	158,250	24,808
Social security costs	17,583	2,802
Other pension costs	4,988	-
	<hr/>	<hr/>
	<u>180,821</u>	<u>27,610</u>
	<hr/>	<hr/>
<b>21 Control</b>		

The ultimate controlling party is R D H Wise, the director and sole shareholder of the company.