

Hansard Development Services (UK) Limited

Directors' report and accounts

for the year ended 30 June 2002

Registered number: 4065297



# **Hansard Development Services (UK) Limited**

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# **Hansard Development Services (UK) Limited**

## **Company information**

### **Directors**

J E Krasin  
J Kanarek

### **Company secretary**

Aldwych Secretaries Ltd

### **Registered office**

6<sup>th</sup> Floor  
Aldwych House  
81 Aldwych  
London  
WC2B 4RP

### **Registered number**

4065297

### **Auditors**

PricewaterhouseCoopers

# **Hansard Development Services (UK) Limited**

## **Report of the directors**

The directors have pleasure in submitting their report for the year ended 30 June 2002, together with the audited accounts. The comparative figures are for the 10 months ended 30 June 2001.

### **Activities**

The principal activity of the company has been the provision of market development services to other group companies which it will continue to do in the future.

### **Results**

The profit for the year, before tax, amounted to £11,783 (2001: £1,017). The directors do not recommend the payment of a dividend.

### **Directors**

The directors who served during the period were:

J E Krasin  
J Kanarek

None of the directors had an interest in the share capital of the company at 30 June 2002.

### **Auditors**

A resolution to reappoint PricewaterhouseCoopers as the auditors of the company will be presented at the AGM.

**By order of the Board**



Secretary

**FOR ALDWYCH SECRETARIES LTD**

25 September 2002

# Hansard Development Services (UK) Limited

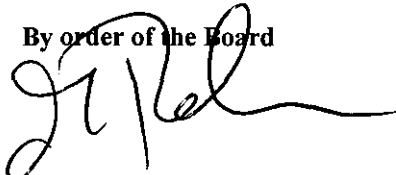
## Statement of directors' responsibilities

Company law requires the directors to prepare financial statements, for each financial period, 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 apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have been properly prepared in accordance with the United Kingdom 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.

By order of the Board



Secretary

**FOR ALDWYCH SECRETARIES LTD**

25 September 2002

FOR INFORMATION OF THE BOARD OF DIRECTORS

## Report of the auditors to the members of Hansard Development Services (UK) Limited

PricewaterhouseCoopers  
Sixty Circular Road  
Douglas  
Isle of Man IM1 1SA  
Telephone +44 (0) 1624 689689  
Facsimile +44 (0) 1624 689690

We have audited the financial statements of Hansard Development Services (UK) Limited for the year ended 30 June 2002 set out on pages 5 to 9.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable Isle of Man law and United Kingdom Accounting Standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board.

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 United Kingdom Companies Act 1985. We also report to you if, in our opinion, the Directors' 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 directors' fees and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### 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 June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the United Kingdom Company Act 1985.

*PricewaterhouseCoopers*

Chartered Accountants and Registered Auditors

11 November 2002

# Hansard Development Services (UK) Limited

## Profit and loss account for the year ended 30 June 2002

|                                                 | Note | 2002<br>£     | 10 months ended<br>30 June 2001<br>£ |
|-------------------------------------------------|------|---------------|--------------------------------------|
| Turnover                                        | 1    | 296,077       | 61,000                               |
| Administration expenses                         | 2    | (284,265)     | (59,983)                             |
| Operating profit                                |      | 11,812        | 1,017                                |
| Interest receivable and similar income          | 2    | 29            | -                                    |
| <b>Profit on ordinary activities before tax</b> | 2    | <b>11,783</b> | <b>1,017</b>                         |
| Tax on ordinary activities                      | 3    | (2,475)       | (389)                                |
| <b>Retained profit for the period</b>           |      | <b>9,308</b>  | <b>628</b>                           |
| Retained profit brought forward                 |      | 628           | -                                    |
| <b>Retained profit carried forward</b>          |      | <b>9,936</b>  | <b>628</b>                           |

The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year above and their historical cost equivalents.

All activities are continuing.

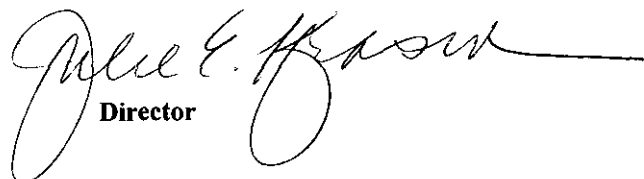


# Hansard Development Services (UK) Limited

## Balance sheet as at 30 June 2002

|                                     | Note | 2002<br>£    | 2001<br>£  |
|-------------------------------------|------|--------------|------------|
| <b>Fixed assets</b>                 | 4    | <b>2,825</b> | -          |
| <b>Current assets</b>               |      |              |            |
| Debtors                             | 5    | 31,480       | 2,018      |
| <b>Creditors</b>                    |      |              |            |
| Amounts falling due within one year | 6    | 24,368       | 1,389      |
| <b>Net current assets</b>           |      | <b>7,112</b> | <b>629</b> |
| <b>Net assets</b>                   |      | <b>9,937</b> | <b>629</b> |
| <b>Capital and reserves</b>         |      |              |            |
| Issued share capital                | 7    | 1            | 1          |
| Profit and loss account             |      | 9,936        | 628        |
| <b>Equity shareholder's funds</b>   | 8    | <b>9,937</b> | <b>629</b> |

The accounts were approved by the Board on 25 September 2002 and signed on its behalf by:

  
Director

# Hansard Development Services (UK) Limited

## Notes to the financial statements for the year ended 30 June 2002

### 1 Principal accounting policies

In the absence of comparable accounting standards prescribed by law in the Isle of Man, the directors have resolved to adopt United Kingdom Financial Reporting standards published by the United Kingdom Accounting Standards Board in the preparation of these financial statements provided that they are not inconsistent with the provisions of the Isle of Man Companies Acts 1931 to 1993.

A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of investments.

#### **Turnover**

Turnover represents service fees receivable from group companies.

#### **Tangible assets**

The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal rates used for this purpose are:-

|                       |                   |
|-----------------------|-------------------|
| Fixtures and fittings | 25% per annum     |
| Computer equipment    | 33 1/3% per annum |
| Motor vehicles        | 25% per annum     |

Leasehold improvements are written off over the earlier of the period of the relevant lease or 10 years.

#### **Pension costs**

The company contributes to employees' personal pension plans. Contributions are charged to the profit and loss account as they become payable under the terms of the relevant employment contract.

#### **Foreign currencies**

Assets and liabilities held in foreign currencies are translated at the rates of exchange prevailing at the balance sheet date. Foreign currency transactions during the year are translated at the rates of exchange ruling at the date of the transaction.

#### **Investment in subsidiary companies**

Investments in subsidiary companies are included at directors' valuation. Any movements in valuation above original cost are taken to a revaluation reserve, which is not distributable.

#### **Consolidated accounts**

The company is exempt from the requirement to prepare consolidated financial statements as it is itself a subsidiary undertaking whose immediate parent company, Hansard Financial Trust Limited, prepares consolidated financial statements.

# Hansard Development Services (UK) Limited

## 2 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

|                                           | 2002<br>£ | 10 months ended<br>30 June 2001<br>£ |
|-------------------------------------------|-----------|--------------------------------------|
| Auditors' remuneration for audit services | 405       | 1,000                                |

Staff costs for the year were £222,041 (2001: £55,756). Of this, £100,000 was paid to Mr J Kanarek, a director of the company.

No other directors received remuneration.

The average number of persons employed by the company during the period was three (2001: one).

## 3 Tax on profit on ordinary activities

|                                                                 | 2002<br>£ | 10 months ended<br>30 June 2001<br>£ |
|-----------------------------------------------------------------|-----------|--------------------------------------|
| UK corporation tax on the profit for the period provided at 21% | 2,475     | 389                                  |

## 4 Tangible assets

|                                | Computer<br>equipment<br>£'000 | Total<br>£'000 |
|--------------------------------|--------------------------------|----------------|
| <b>Cost</b>                    |                                |                |
| At 1 July 2001                 | -                              | -              |
| Additions                      | 2,079                          | 2,079          |
| Disposals                      | -                              | -              |
| Transfers from group companies | 2,068                          | 2,068          |
| <b>At 30 June 2002</b>         | <b>4,147</b>                   | <b>4,147</b>   |
| <b>Depreciation</b>            |                                |                |
| At 1 July 2001                 | -                              | -              |
| Charge for year                | 1,113                          | 1,113          |
| Disposals                      | -                              | -              |
| Transfers from group companies | 209                            | 209            |
| <b>At 30 June 2002</b>         | <b>1,322</b>                   | <b>1,322</b>   |
| <b>Net book value</b>          |                                |                |
| <b>At 30 June 2002</b>         | <b>2,825</b>                   | <b>2,825</b>   |
| At 30 June 2001                | -                              | -              |

# Hansard Development Services (UK) Limited

## 5 Debtors

|                                 | 2002<br>£ | 2001<br>£ |
|---------------------------------|-----------|-----------|
| Debtors and prepayments         | 1,206     | -         |
| Amounts due from parent company | 30,274    | 2,018     |
|                                 | 31,480    | 2,018     |

## 6 Creditors

|                                      | 2002<br>£ | 2001<br>£ |
|--------------------------------------|-----------|-----------|
| Amounts falling due within one year: |           |           |
| Corporation tax                      | 2,863     | 389       |
| Other creditors                      | 21,505    | 1,000     |
|                                      | 24,368    | 1,389     |

## 7 Share capital

|                                | 2002<br>£ | 2001<br>£ |
|--------------------------------|-----------|-----------|
| Authorised:                    |           |           |
| 100 Ordinary shares of £1 each | 100       | 100       |
| Issued and fully paid:         |           |           |
| 1 Ordinary share of £1         | 1         | 1         |

## 8 Reconciliation of movement in shareholder's funds

|                                     | 2002<br>£ | 2001<br>£ |
|-------------------------------------|-----------|-----------|
| Profit for the year                 | 9,308     | 628       |
| New share capital subscribed        | -         | 1         |
| Net addition to shareholder's funds | 9,308     | 629       |
| Opening shareholder's funds         | 629       | -         |
| Closing shareholder's funds         | 9,937     | 629       |

## 9 Ultimate parent company

The ultimate parent company is Hansard Financial Trust Limited, a company registered in the Isle of Man. Hansard Financial Trust Limited is controlled by Dr L S Polonsky, a director of group companies including Hansard Financial Trust Limited.

# **Hansard Development Services (UK) Limited**

## **10 Related party disclosure**

The directors have availed of the exemptions in Financial Reporting Standard No 8 "Related Party Disclosures" which permits qualifying subsidiaries of an undertaking not to disclose details of transactions and balances between group entities that are eliminated on consolidation.

## **11 Cash flow statement**

The company has taken the exemption under Financial Reporting Standard No.1 (Revised) from presenting a cash flow statement as the consolidated financial statements of Hansard Financial Trust Limited, in which the company is included, are publicly available.