

CIMB-GK Securities (UK) Limited

Report and accounts

31 December 2007

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COMPANIES HOUSE

CIMB-GK Securities (UK) Limited

Directors

Michael Clarke
William Murray
Asish Dey
Carolina Swee Liang Chan

Secretary

Direct Control Limited

Auditors

PricewaterhouseCoopers LLP
Hay's Galleria
1 Hay's Lane
London
SE1 2RD

Bankers

Standard Chartered Bank
37 Gracechurch Street
London
EC3V 0BX

Registered office

27 Knightsbridge
London
SW1X 7BY

Registered number

2719607

CIMB-GK Securities (UK) Limited

Report and accounts

31 December 2007

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CIMB-GK Securities (UK) Limited

Directors' report for the year ended 31 December 2007

The directors submit their report and the audited financial statements for the year ended 31 December 2007

Principal activities and business review

The principal activity of the company remains that of securities related business. The company is authorised and regulated by the Financial Services Authority. The directors do not foresee any change in the company's principal activity.

The major and perhaps only risk associated with the business is a severe down turn in the sale and purchase of financial securities and related services, in Asia.

The position and nature of the company's relationship within the group sets the key performance indicator as the revenue generated in the Asian group resulting from the activities of CIMB-GK Securities (UK) Limited.

Results and dividends

The profit for the year of £124,402 (2006: £107,112) will be transferred to reserves. The directors do not recommend the payment of a dividend.

Directors

The directors of the company at 31 December 2007, all of whom have been directors for the whole of the year ended were:

Michael Clarke
William Murray
Asish Dey
Carolina Swee Laing Chan

Directors' interests

None of the directors had a disclosable interest in the share capital of the company or that of any other group company during the year.

Statement of 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 those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,

CIMB-GK Securities (UK) Limited

- 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 a going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary

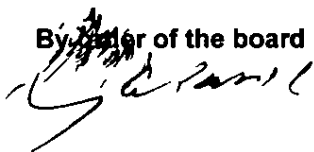
The directors confirm that they have complied with the above requirements in preparing the financial statements

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.

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. The directors have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By  of the board

Michael Clarke
Director

28 March 2008

CIMB-GK Securities (UK) Limited

Independent auditors' report to the members of CIMB-GK Securities (UK) Limited

We have audited the financial statements of CIMB-GK Securities (UK) Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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' 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 judgments 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.

CIMB-GK Securities (UK) Limited

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 profit for the year then ended, and
- 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



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

London

28 March 2008

CIMB-GK Securities (UK) Limited

Profit and loss account for the year ended 31 December 2007

	Note	2007 £	2006 £
Turnover	2	3,694,821	2,774,116
Cost of sales	3	(2,484,649)	(1,735,573)
Gross profit		1,210,172	1,038,543
Administrative expenses		(1,034,228)	(875,044)
Operating profit		175,944	163,499
Interest receivable and similar income		41,136	30,049
Profit on ordinary activities before taxation	4	217,080	193,548
Tax on profit on ordinary activities	5	(92,678)	(86,436)
Profit on ordinary activities after taxation transferred to reserves	10	124,402	107,112

The results of the company relate solely to continuing activities

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

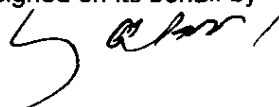
There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents

CIMB-GK Securities (UK) Limited

Balance sheet as at 31 December 2007

	Note	2007 £	2006 £
Fixed assets			
Tangible assets	6	232,166	32,626
Current assets			
Debtors	7	1,449,721	1,194,328
Cash at bank and in hand		1,178,746	1,045,051
		2,628,467	2,239,379
Creditors: amounts falling due within one year	8	1,522,597	1,058,371
Net current assets		1,105,870	1,181,008
Total assets less current liabilities		1,338,036	1,213,634
Capital and reserves			
Called up share capital	9	500,000	500,000
Profit and loss account	10	838,036	713,634
Equity shareholders' funds	11	1,338,036	1,213,634

The financial statements were approved by the board of directors on 28 March 2008 and were signed on its behalf by



Michael Clarke
Director

CIMB-GK Securities (UK) Limited

Notes to the financial statements

for the year ended 31 December 2007

1 Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards. The material accounting policies, which have been applied consistently, are set out below.

Income recognition

Income represents amounts due from group companies and is recognised on an accruals basis.

Interest income

Interest income is accounted for on an accruals basis.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. When assets are sold or retired, their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting from their disposal is included in the profit and loss account. Fully depreciated assets are retained in the accounts until they are no longer in use.

Depreciation is calculated using the straight line method to write off the cost of the assets over their estimated useful lives. A full year's charge is provided in the year of acquisition. The estimated useful lives are as follows:

Furniture, fittings and leasehold improvements	-	3 years
Communication equipment	-	3 years
Computer equipment	-	3 years

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results stated in the financial statements. Deferred tax assets are recognised to the extent it is considered more likely than not that they are recoverable.

Operating leases

Rentals on operating leases are charged to the profit and loss account as they accrue.

Pensions

The company makes contributions to employees' personal pensions plans. Contributions are charged in the profit and loss account as they become payable.

Cash flow statement

The company is exempt from the requirements to prepare a cash flow statement under Financial Reporting Standard 1, because a consolidated cash flow statement is included in the publicly available consolidated financial statement of its ultimate holding company.

CIMB-GK Securities (UK) Limited

Notes to the financial statements

for the year ended 31 December 2007

2 Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to another group undertaking and is attributable to one continuing activity, the introduction of securities related business to that fellow group undertaking. Excepting incidental amounts all turnover is generated in the Far East.

3 Costs of sales

Cost of sales represent staff costs as follows

	2007	2006
	£	£
Wages and salaries	2,039,848	1,456,582
Social security costs	259,650	127,961
Other pension costs	185,151	151,030
	2,484,649	1,735,573

The average number of persons, including the directors, employed by the company during the period was 14 (2006: 13).

Directors' emoluments

	2007	2006
	£	£
Aggregate Emoluments	909,032	713,021
Pension Contributions	51,563	45,688
Total Emoluments	960,595	758,709

Contributions payable into personal pension schemes for 3 directors was £51,563 (2006: £45,688).

The emoluments of the highest paid director were

	2007	2006
	£	£
Aggregate Emoluments	430,710	278,424
Pension Contribution	18,750	18,000

CIMB-GK Securities (UK) Limited

Notes to the financial statements

for the year ended 31 December 2007

4 Profit on ordinary activities before taxation

	2007 £	2006 £
Profit on ordinary activities is stated after charging.		
Auditors' remuneration – for auditing the financial statements	17,000	17,850
– non-audit services	-	-
Depreciation of owned assets	125,696	38,644
Operating lease rentals – Land and buildings	152,496	116,481
– Office equipment	6,660	5,242

5 Taxation

	2007 £	2006 £
UK corporation tax at 30% (2005 30%)	96,050	87,241
Adjustment in respect of prior years	-	-
Total current tax	96,050	87,241
Deferred tax - current year at 28%	(4,877)	(805)
Deferred tax - prior year adjustment due to change in tax rate (28%)	1,505	-
	92,678	86,436

The tax assessed for the year is more than the standard rate of corporation tax in the UK (30%) The differences are explained below

CIMB-GK Securities (UK) Limited

Notes to the financial statements

for the year ended 31 December 2007

	2007 £	2006 £
Profit on ordinary activities before tax	217,080	193,548
Profit on ordinary activities before tax multiplied by the standard rate in the UK (30%)	65,124	58,065
Effects of		
Expenses not deductible for tax purposes	25,701	28,371
Depreciation charged in excess of capital allowances claimed	5,225	805
Adjustment in respect of prior years	-	-
Tax payable	96,050	87,241

As at 31 December 2007, there is a deferred tax asset of £25,948 (2006 £22,576) measured at the corporation tax rate of 28% (2006 30%). The deferred tax asset is measured at 28% due to the change in corporation tax rate as of April 2008. The deferred tax asset relates to timing differences between depreciation on fixed assets and capital allowances claimed.

6 Tangible fixed assets

	Furniture & Fittings £	Communication and Office Equipment £	Computer Equipment £	Total £
Cost				
At 31 December 2006	104,242	57,576	139,824	301,642
Additions	306,467	12,185	6,584	325,236
At 31 December 2007	410,709	69,761	146,408	626,878
Depreciation				
At 31 December 2006	96,542	57,226	115,248	269,016
Charge for the year	106,254	4,412	15,030	125,696
At 31 December 2007	202,796	61,638	130,278	394,712
Net book amount				
At 31 December 2007	207,913	8,123	16,130	232,166
At 31 December 2006	7,700	350	24,576	32,626

CIMB-GK Securities (UK) Limited

Notes to the financial statements

for the year ended 31 December 2007

7 Debtors

	2007	2006
	£	£
Due within one year		
Amount owed by immediate parent undertaking	1,352,813	1,096,079
Other debtors	15,070	35,066
Prepayments and accrued income	55,890	40,607
Deferred tax	25,948	22,576
	<u>1,449,721</u>	<u>1,194,328</u>

The movements on the deferred tax account were as follows

	2007	2006
	£	£
Opening Balance	22,576	21,771
Credit to profit and loss account	4,877	805
Change in tax rate	(1,505)	-
Closing Balance	<u>25,948</u>	<u>22,576</u>

CIMB-GK Securities (UK) Limited

Notes to the financial statements

for the year ended 31 December 2007

8 Creditors: amount falling due within one year

	2007 £	2006 £
Due within one year		
Amounts owing to group undertaking	472,354	84,397
Corporation tax	60,476	89,106
Other taxes and social security costs	650	79,557
Accruals	989,117	805,311
	<u>1,522,597</u>	<u>1,058,371</u>

9 Called up share capital

	2007 £	2006 £
Authorised, allotted, called up and fully paid		
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

10 Profit and loss account

	2007 £	2006 £
At 1 January	713,634	606,522
Profit for the year	124,402	107,112
At 31 December	<u>838,036</u>	<u>713,634</u>

11 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
At 1 January	1,213,634	1,106,522
Profit for the year	124,402	107,112
At 31 December	<u>1,338,036</u>	<u>1,213,634</u>

CIMB-GK Securities (UK) Limited

Notes to the financial statements

for the year ended 31 December 2007

12 Financial commitments

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as follows

	Land and Buildings		Other	
	2007	2006	2007	2006
	£'000	£'000	£'000	£'000
Land and buildings				
Operating leases which expire				
Within one year	-	-	-	-
Between two and five years	143	143	5	5
	143	143	5	5

13 Related party transaction

The directors have taken advantage of the exemption available in Financial Reporting Standard 8 from disclosing transactions with related parties, which are members of the group

14 Immediate and ultimate parent undertakings

The company's immediate parent undertaking, and the parent undertaking of the smallest group which prepares consolidated accounts and of which the company is a member, is CIMB-GK Pte Ltd a company registered in Singapore

The company's ultimate parent undertaking and ultimate controlling party, and the parent undertaking of the largest group which prepares consolidated accounts and of which the company is a member, is Bumiputra-Commerce Holdings Berhad a company incorporated in Malaysia

Copies of the consolidated accounts are available from the registered office of the company