TEMPURA LIMITED
(Company No. 3125849)

REPORT AND ACCOUNTS

31ST DECEMBER 1996

RAWLINSON & HUNTER

CHARTERED ACCOUNTANTS

EAGLE HOUSE 110 JERMYN STREET LONDON SW1Y 6RH

TEMPURA LIMITED

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TEMPURA LIMITED

REPORT OF THE DIRECTOR

Director: J. Regazzacci

The director submits his report and the audited accounts of the company for the period ended 31st December 1996.

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare accounts 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 accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

PRINCIPAL ACTIVITY

The principal activity of the company during the period was providing non financial consultancy services.

INCORPORATION

The company was incorporated on 14th November 1995, on which date 2 Ordinary £1 shares were issued at par. A further 98 Ordinary £1 shares were issued at par on 5th January 1996 to provide additional working capital.

RESULTS AND REVIEW OF THE BUSINESS

The results for the period are set out on page 4. The director considers the results for the period and current state of affairs of the company to be satisfactory.

The director expects that the company's level of business will grow substantially in the foreseeable future.

The director does not recommend the payment of a dividend.

TEMPURA LIMITED

REPORT OF THE DIRECTOR (continued)

DIRECTORS

The name of the current director, who was appointed on 21st December 1995, is stated at the head of this report. Nominee Directors Limited was appointed as first director of the company on incorporation, but resigned on 21st December 1995.

The directors who had an interest in the shares of the company on incorporation and at the end of the period were as follows:

	Ordinary shares of £1 each	
	31st December 1996	On incorporation
Nominee Directors Limited	-	1
J. Regazzacci	52	-

TAXATION STATUS

The company is a close company within the meaning of the Income and Corporations Taxes Act 1988.

AUDITORS

A resolution to re-appoint Rawlinson & Hunter as auditors to the company will be proposed at the Annual General Meeting.

By Order of the Board

Registered Office:
24 Upper Brook Street
London
W1Y 1PD

Director

03 JUL 1997

RAWLINSON & HUNTER

CHARTERED ACCOUNTANTS

EAGLE HOUSE 110 JERMYN STREET LONDON SW1Y 6RH

REPORT OF THE AUDITORS

TO THE MEMBERS OF

TEMPURA LIMITED

We have audited the accounts on pages 4 to 8 which have been prepared following the accounting policies set out on page 6.

Respective responsibilities of the director and auditors

As described on page 1, the company's director is responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December 1996 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Rawlinson Hunter

8 July 1997

Registered Auditor

TEMPURA LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD 14TH NOVEMBER 1995 TO 31ST DECEMBER 1996

	Notes	£
TURNOVER		141,553
Administrative costs		96,221
OPERATING PROFIT	2	45,332
Interest receivable and similar income		601
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		45,933
Tax on profit on ordinary activities	4	13,000
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	10	£ 32,933

The result for the period is derived solely from continuing activities. There are no recognised gains or losses other than the profit for the period. Movements in shareholders' funds are shown in note 11.

TEMPURA LIMITED

BALANCE SHEET

31ST DECEMBER 1996

	Notes	1996 £	£
FIXED ASSETS			
Tangible assets	5		12,724
Investments	6		56,035
			68,759
CURRENT ASSETS			
Debtors	7	94,840	
Cash at bank and in hand		43,195	
		138,035	
CREDITORS - amounts falling due within one year	8	73,761	
NET CURRENT ASSETS			64,274
TOTAL ASSETS LESS CURRENT LIABILITIES			133,033
CREDITORS - amounts falling due after one year	9		100,000
			£ 33,033
CAPITAL AND RESERVES			
Called up share capital	10		100
Profit and loss account	11		32,933
SHAREHOLDERS' FUNDS	11		£ 33,033

Approved by the Board on 03 JUL 1997
and signed on its behalf by:

The notes on pages 6 to 8 form part of these accounts

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 1996

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention.

Turnover

Turnover represents the amounts invoiced, excluding value added tax, in respect of the provision of consultancy services.

Depreciation

Provision for depreciation of furniture and equipment is made on the straight line basis at rates calculated to write off the cost of the assets, less their estimated residual values, over their expected working lives, which are considered to be 5 years.

2. OPERATING PROFIT

	1996
	£
Operating profit for the period was arrived at after charging:	
Director's emoluments	29,000
Depreciation of tangible fixed assets:	
Owned	3,519
Operating lease rentals of:	
Land and buildings	20,691
Plant and machinery	450

3. EMPLOYEES

The average number, including the director, employed by the company during the period, was as follows:	No. of employees
Administration	3

The related staff costs were as follows:

	£
Wages and salaries	29,000
Social security costs	2,958
	£ 31,958

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

The charge comprises:	
Corporation tax at 24% on the results for the period	£ 13,000

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 1996

5. TANGIBLE FIXED ASSETS

	Office equipment £
Cost	
Additions and at 31st December 1996	16,243
Depreciation	
Charge for year and at 31st December 1996	3,519
Net book value	
At 31st December 1996	£ 12,724

6. FIXED ASSETS - INVESTMENTS

	Unlisted
Cost	
Additions and at 31st December 1996	£ 56,035

The unlisted investments above represent a 100% interest in the issued ordinary share capital of Bancassurance Conseil SA, a company registered in Switzerland. The company's profit for the year to 31st December 1996 amounted to £23,430 and shareholders' funds, which are entirely attributable to Tempura Limited, were £68,519.

7. DEBTORS

	1996 £
Other debtors	42,435
Prepayments and accrued income	52,405
	£ 94,840

8. CREDITORS - amounts falling due within one year

Trade creditors	1,260
Corporation tax	13,000
Other taxes and social security	2,776
Director's loan	40,252
Accruals and deferred income	16,473
	£ 73,761

The director's loan is interest free and repayable when funds permit.

9. CREDITORS - amounts falling due after one year

Director's loan	£100,000

The director's loan is interest free and repayable on thirty-six months notice.

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 1996

10. CALLED UP SHARE CAPITAL

	1996
Authorised	
1,000 Ordinary shares of £1 each	£ 1,000
Allotted, called up and fully paid	
100 Ordinary shares of £1 each	£ 100

The company was incorporated on 14th November 1995, on which date 2 Ordinary £1 shares were issued at par to provide the initial working capital of the company. A further 98 Ordinary £1 shares were issued at par on 5th January 1996 to provide additional working capital.

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital £	Profit and loss account £	Total shareholders' funds £
Share capital subscribed	100	-	100
Profit for the period	-	45,933	45,933
Balance at 31st December 1996	£ 100	£ 45,933	£ 46,033

12. OPERATING LEASES

At 31st December 1996 the company was committed to making the following payments under non-cancellable operating leases in the year to 31st December 1997:

	Land and buildings
Leases expiring:	
Between two and five years	£ 55,000