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TEMPURA LIMITED
(Company No. 3125849)

REPORT AND ACCOUNTS

31ST DECEMBER 1999

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COMPANIES HOUSE 28/03/01

RAWLINSON & HUNTER

CHARTERED ACCOUNTANTS

EAGLE HOUSE 110 JERMYN STREET LONDON SW1Y 6RH

MACFARLANES
10, NORWICH ST.
LONDON EC4A 1BD

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 year ended 31st December 1999.

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 year was providing non financial consultancy services.

RESULTS AND REVIEW OF THE BUSINESS

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

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

The director does not recommend the payment of a dividend.

DIRECTORS

The name of the current director is stated at the head of this report.

The director's interest in the shares of the company at the beginning and at the end of the year were as follows:

	Ordinary shares of £1 each	
	31st December 1999	1st January 1999
J. Regazzacci	76	76

TEMPURA LIMITED

REPORT OF THE DIRECTOR (continued)

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:
3rd Floor
Eagle House
110 Jermyn Street
London
SW1Y 6RH

26 March 2001

Director

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 12 which have been prepared following the accounting policies set out on page 7.

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 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

26 March 2001

Rawlinson & Hunter

Registered Auditor

TEMPURA LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1999

	Notes	1999 £	1998 £
TURNOVER		542,671	440,161
Administrative costs		343,755	362,590
OPERATING PROFIT	2	198,916	77,571
Interest payable		-	(138)
Interest receivable and similar income	4	40,676	49,185
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		239,592	126,618
Tax on profit on ordinary activities	5	(42,216)	(38,274)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	13	£197,376	£ 88,344

The result for the year is derived solely from continuing activities. There are no recognised gains or losses other than the result for the year. Movements in shareholders' funds are shown in note 13.

TEMPURA LIMITED

BALANCE SHEET

31ST DECEMBER 1999

	Notes	1999		1998	
		£	£	£	£
FIXED ASSETS					
Tangible assets	6		53,154		59,725
Investment property	7		155,021		155,021
Investments	8		596,394		596,392
			804,569		811,138
CURRENT ASSETS					
Debtors	9	83,684		114,905	
Cash at bank and in hand		403,609		86,914	
		487,293		201,819	
CREDITORS - amounts falling due within one year	10	221,213		139,684	
NET CURRENT ASSETS			266,080		62,135
TOTAL ASSETS LESS CURRENT LIABILITIES			1,070,649		873,273
CREDITORS - amounts falling due after one year	11		736,812		736,812
			£333,837		£136,461
CAPITAL AND RESERVES					
Called up share capital	12		100		100
Profit and loss account	13		333,737		136,361
SHAREHOLDERS' FUNDS	13		£333,837		£136,461

Approved by the Board on 26 March 2001.
and signed on its behalf by:

TEMPURA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED

31ST DECEMBER 1999

	Notes	1999 £	1999 £	1998 £	1998 £
Cash inflow from operating activities	16		324,939		124,110
Returns on investments and servicing of finance					
Interest received		9,362		18,371	
Interest paid		-		(138)	
Rent received		40,350		40,523	
Rental expenses		(9,036)		(9,709)	
			40,676		49,047
Taxation			(41,429)		(12,061)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(7,489)		(47,802)	
Purchase of fixed asset investments		(2)		-	
Investment property costs refunded		-		3,049	
			(7,491)		(44,753)
Cash inflow before use of liquid resources and financing			316,695		116,343
Financing					
Decrease in debt			-		(537,582)
Increase in cash in the year	16		£ 316,695		£(421,239)

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 1999

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention.

Consolidation

The company is entitled to exemption, under section 248 of the Companies Act 1985, from preparing group accounts.

Turnover

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

Depreciation

Provision for depreciation is made on the reducing balance 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:

Motor vehicle	-	4 years
Fixtures and fittings	-	5 years
Office equipment	-	5 years

Investment property

In accordance with Statement of Standard Accounting Practice 19, the valuation of the investment property is considered annually. The property, having been acquired in the year, is stated at cost. In the opinion of the director, this fairly reflects the property value at 31st December 1999.

The above treatment of freehold investment property may be considered a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, the property is held as an investment and the director considers that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are converted at the rate of exchange ruling at the date of the transaction. All translation differences are taken to the profit and loss account as they arise.

Leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

2. OPERATING PROFIT

	1999	1998
	£	£
Operating profit for the year was arrived at after charging:		
Director's emoluments	117,796	120,000
Depreciation of tangible fixed assets:		
Owned	14,060	4,362
Operating lease rentals of land and buildings	46,198	55,000

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 1999

3. EMPLOYEES

The average number, including the director, employed by the company during the year, was as follows:

	1999	1998
	No. of employees	
Administration	2	2

The related staff costs were as follows:

	£	£
Wages and salaries	148,080	136,464
Social security costs	16,571	13,666
	£164,651	£150,130

4. INTEREST RECEIVABLE AND SIMILAR INCOME

Interest receivable	9,362	18,371
Rent receivable	40,350	40,523
Rental expenses	(9,036)	(9,709)
	£ 40,676	£ 49,185

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The charge comprises:		
Corporation tax at 30 % (1998 - 21%) on the results for the year	83,429	44,000
Overprovision in relation to earlier period	(41,213)	(5,726)
	£ 42,216	£ 38,274

6. TANGIBLE FIXED ASSETS

	Motor vehicle £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1st January 1999	42,277	6,981	22,401	71,659
Additions	7,489	-	-	7,489
At 31st December 1999	49,766	6,981	22,401	79,148
Depreciation				
At 1st January 1999	-	2,280	9,654	11,934
Charge for year	10,569	941	2,550	14,060
At 31st December 1999	10,569	3,221	12,204	25,994
Net book value				
At 31st December 1999	£ 39,197	£ 3,760	£ 10,197	£ 53,154
At 31st December 1998	£ 42,277	£ 4,701	£ 12,747	£ 59,725

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 1999

7. FIXED ASSETS - INVESTMENT PROPERTY

	1999	1998
	£	£
Freehold property		
At 1st January 1999	155,021	158,070
Additions/(Refunded costs)	-	(3,049)
	£155,021	£155,021

As stated in the accounting policy, properties have been valued in accordance with Statement of Standard Accounting Practice 19. Had this policy not been adopted additional depreciation at 2% per annum would have been charged in relation to this property amounting to £3,100 (1998 - £3,100).

8. FIXED ASSETS - INVESTMENTS

	Unlisted
Cost	
At 1st January 1999	596,392
Additions	2
At 31st December 1999	£596,394

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 1999 amounted to £6,341 (1998 - £6,245) and shareholders' funds, which are entirely attributable to Tempura Limited, were £ 93,465 (1998 - £98,765).

In addition the company owned the entire issued share capital of ALFOCH, a company incorporated in France. The loss of the company attributable to the group for the year to 31st December 1999 amounted to £43,023 (1998 – Loss £44,433). The net assets of the company as at 31st December 1999 were £439,028 (1998 - £541,646).

During the year the company acquired the entire issued share capital of I.O.L. Services Limited, a company registered in England and Wales. The company is dormant and did not trade in the period from incorporation to 31st December 1999.

9. DEBTORS

	1999	1998
	£	£
Due from subsidiary undertaking	63,108	31,794
Other debtors	20,576	39,527
Prepayments and accrued income	-	43,584
	£ 83,684	£114,905

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 1999

10. CREDITORS - amounts falling due within one year

	1999 £	1998 £
Trade creditors	345	1,361
Amounts owed to subsidiary undertaking	2	-
Corporation tax	42,000	41,213
Other taxes and social security	5,833	6,172
Other creditors	8,615	7,500
Director's loan	35,866	22,631
Accruals and deferred income	128,552	60,807
	£221,213	£139,684

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

11. CREDITORS - amounts falling due after one year

	1999	1998
Loan due to subsidiary undertaking	£736,812	£736,812

The loan due to the subsidiary undertaking is unsecured, interest free and repayable on more than twelve months notice.

12. CALLED UP SHARE CAPITAL

	1999	1998
Authorised		
1,000 Ordinary shares of £1 each	£ 1,000	£ 1,000
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	£ 100	£ 100

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital £	Profit and loss account £	Total shareholders' funds £
At 1st January 1998	100	48,017	48,117
Profit for the year	-	88,344	88,344
Balance at 31st December 1998	100	136,361	136,461
Profit for the year	-	197,376	197,376
Balance at 31st December 1999	£ 100	£333,737	£333,837

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 1999

14. OPERATING LEASES

At 31st December 1999 the company was committed to making the following payments under non-cancellable operating leases in the year to 31st December 2000:

	Land and buildings
Leases expiring:	
Less than one year	£ 27,500

15. RELATED PARTY TRANSACTIONS

As at the year end, Tempura Limited owed Bancassurance Counseil S.A., a wholly owned subsidiary, £736,812 (1998 - £736,812) (as disclosed in note 11). Fees receivable from this company amounted to £120,000 (1998 - £223,183) and have been included in the turnover for the year.

As at the year end, Tempura Limited was owed by ALFOCH, a wholly owned subsidiary, £63,108 (1998 - £31,794) (as disclosed in note 9). Rents receivable, less direct expenses, from this company amounted to £31,314 (1998 - £30,814) and have been included in interest receivable and similar income for the year.

The ultimate controlling party is J. Regazzacci who is also the sole director of the company. Loans made by the controlling party to the company are disclosed in note 10.

As at the year end, Tempura Limited was owed £800 (1998 - £Nil) from Symington Estates Limited, a company in which J. Regazzacci is a director. The company also paid £1,270 during the year for contract services.

16. CASH FLOW STATEMENT

	1999 £	1998 £
a) Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit	198,916	77,571
Depreciation charge	14,060	4,362
Decrease in debtors	31,221	5,680
Increase in creditors	80,742	36,497
Net cash inflow from operating activities	£324,939	£124,110

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 1999

16. CASH FLOW STATEMENT (continued)

b) Analysis of changes in net debt

	As at 1st January 1999 £	Cash flow £	As at 31st December 1999 £
Cash at bank and in hand	86,914	316,695	403,609
Loans	(736,812)	-	(736,812)
Net debt	£(649,898)	£ 316,695	£(333,203)

c) Reconciliation of net cash flow to movement in net debt

	1999 £	1998 £
Increase in cash in the year	316,695	(421,239)
Cash outflow from decrease in debt	-	537,582
Change in net debt resulting from cash flows	316,695	116,343
Net debt at 1st January 1999	(649,898)	(766,241)
Net debt at 31st December 1999	£333,203	£(649,898)

17. POST BALANCE SHEET EVENT

Subsequent to the year end the company sold it's interest in the wholly owned subsidiary ALFOCH.