TEMPURA LIMITED
(Company No. 3125849)

REPORT AND ACCOUNTS

31ST DECEMBER 2001

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 accounts of the company for the year ended 31st December 2001.

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 2. The director considers the results for the year and current state of affairs of the company to be satisfactory and in line with expectations.

The director expects that the company's level of business will continue at the current level 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 2001	1st January 2001
J. Regazzacci	76	76

AUDITORS

Advantage is taken in the preparation of the report and accounts of the special exemptions applicable to certain companies conferred by section 249A(1) of the Companies Act 1985 for the requirement to prepare audited accounts.

By Order of the Board

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

30 January 2003

Director

TEMPURA LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2001

	Notes	2001 £	2000 £
TURNOVER		235,744	402,303
Administrative costs		345,470	406,879
OPERATING LOSS	2	(109,726)	(4,576)
Interest payable	4	(52,642)	(59,861)
Loss on sale of fixed asset investment		-	(149,531)
Provision against fixed asset investment	9	(642,545)	-
Interest receivable and similar income	5	12,456	791,975
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(792,457)	578,007
Tax on (loss)/profit on ordinary activities	6	-	(45,237)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	14	£(792,457)	£ 532,770

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 14.

TEMPURA LIMITED

BALANCE SHEET

31ST DECEMBER 2001

	Notes	2001 £	2001 £	2000 £	2000 £
FIXED ASSETS					
Tangible assets	7		48,528		44,182
Investment property	8		155,021		155,021
Investments	9		163,492		806,037
			367,041		1,005,240
CURRENT ASSETS					
Debtors	10	741,129		769,949	
Cash at bank and in hand		190,441		256,718	
		931,570		1,026,667	
CREDITORS - amounts falling due within one year	11	289,285		257,217	
NET CURRENT ASSETS			642,285		769,450
TOTAL ASSETS LESS CURRENT LIABILITIES			£1,009,326		£1,774,690
CREDITORS - amounts falling due after one year	12		935,176		908,083
CAPITAL AND RESERVES					
Called up share capital	13	100		100	
Profit and loss account	14	74,050		866,507	
SHAREHOLDERS' FUNDS	14		74,150		866,607
			£1,009,326		£1,774,690

The director confirms that:

(a) The company was entitled to the exemption from an annual audit permitted by subsection (1) of section 249A of the Companies Act 1985 and the members have not required the company to obtain an audit of its accounts for the year in accordance with section 249B(2);

(b) The director acknowledges his responsibilities for:

(i) ensuring that the company keeps proper accounting records which comply with section 221; and

(ii) preparing accounts 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 its result for the financial year under section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

Approved by the Board on 30 January 2003
and signed on its behalf by:

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 2001

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 vehicles	-	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 is stated at cost which, in the opinion of the director, fairly reflects the property value at 31st December 2001.

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.

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 2001

2. OPERATING LOSS

	2001	2000
	£	£
Operating loss for the year was arrived at after charging:		
Director's emoluments	120,955	115,426
Depreciation of tangible fixed assets:		
Owned	10,871	13,495
Operating lease rentals of land and buildings	20,000	46,726

3. EMPLOYEES

	No. of employees	
The average number, including the director, employed by the company during the year, was as follows:		
Administration	2	2

The related staff costs were as follows:

	£	£
Wages and salaries	158,019	150,408
Social security costs	17,454	17,842
	£175,473	£168,250

4. INTEREST PAYABLE

Interest arising on borrowings wholly repayable within 5 years		
Interest on loan	£ 52,642	£ 59,861

5. INTEREST RECEIVABLE AND SIMILAR INCOME

Interest receivable	12,456	13,202
Rent receivable	-	53,773
Profit on sale of fixed asset investments	-	725,000
	£ 12,456	£791,975

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 2001

6. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	2001 £	2000 £
The charge comprises:		
Corporation tax at 30% (2000 - 30%) on the results for the year	-	52,000
Overprovision in relation to earlier period	-	(6,763)
	£ -	£ 45,237
Factors affecting the charge for the year		
Loss on ordinary activities before tax	£(792,457)	£ 578,007
Loss on ordinary activities before tax multiplied by the rate of corporation tax in the UK of 30% (2000 - 30%)	(237,737)	173,402
Effects of:		
Capital allowances in excess of depreciation charge	(3,957)	1,753
Disallowed expenses	1,307	11,478
Investment provision disallowed	192,764	(162,772)
Deferred tax asset on loss not provided	47,623	-
Other permanent timing differences	-	28,139
	£ -	£ 52,000

7. TANGIBLE FIXED ASSETS

	Motor vehicle £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1st January 2001	49,766	6,981	26,924	83,671
Additions	35,675	-	3,428	39,103
Disposals	(49,766)	-	-	(49,766)
At 31st December 2001	35,675	6,981	30,352	73,008
Depreciation				
At 1st January 2001	20,368	3,973	15,148	39,489
Charge for year	7,741	602	2,528	10,871
Disposals	(25,880)	-	-	(25,880)
At 31st December 2001	2,229	4,575	17,676	24,480
Net book value				
At 31st December 2001	£ 33,446	£ 2,406	£ 12,676	£ 48,528
At 31st December 2000	£ 29,398	£ 3,008	£ 11,776	£ 44,182

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 2001

8. **FIXED ASSETS - INVESTMENT PROPERTY**	2001	2000
Freehold property		
At 1st January 2001 and 31st December 2001	£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 (2000 - £3,100).

9. **FIXED ASSETS - INVESTMENTS**	2001	2000
Cost		
At 1st January 2001 and 31st December 2001	806,037	806,037
Less:		
Provision against investment in Arenba Limited	(642,545)	-
Net Book Value at 31st December 2001	£ 163,492	£ 806,037

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 loss for the year to 31st December 2001 amounted to £(10,568) (2000 - £2,565 profit) and shareholders' funds, which are entirely attributable to Tempura Limited, were £82,653 (2000 - £96,039).

The company also owns 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 2001.

The company also owns 75% of the issued share capital of Arenba Limited, a company registered in England and Wales. The company's loss for the period to 31st December 2001 amounted to £145,895 (2000: £710,831). The net assets of the company as at 31st December 2001 were £143,274. The directors have made a provision against this investment, writing down the asset to the company's share of net assets.

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 2001

10. DEBTORS

	2001 £	2000 £
Trade debtors	240,954	-
Due from subsidiary undertaking	340,599	244,926
Other debtors	11,976	50,813
Prepayments and accrued income	147,600	474,210
	£741,129	£ 769,949

11. CREDITORS - amounts falling due within one year

	2001 £	2000 £
Trade creditors	25,373	-
Amounts owed to subsidiary undertaking	2	2
Corporation tax	15,344	56,341
Other taxes and social security	-	5,784
Other creditors	50,919	56,284
Director's loan	7,302	37,302
Accruals and deferred income	190,345	101,504
	£289,285	£257,217

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

12. CREDITORS - amounts falling due after one year

	2001 £	2000 £
Loan due to subsidiary undertaking	£935,176	£908,083

The loan due to the subsidiary undertaking is unsecured and repayable on more than twelve months notice. Interest is payable at a rate of 6 % per annum.

13. CALLED UP SHARE CAPITAL

	2001	2000
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

TEMPURA LIMITED

NOTES TO THE ACCOUNTS

31ST DECEMBER 2001

14. *RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS*

	Share capital £	Profit and loss account £	Total shareholders' funds £
At 1st January 2000	100	333,737	333,837
Profit for the year	-	532,770	532,770
Balance at 31st December 2000	100	866,507	866,607
Loss for the year	-	(792,457)	(792,457)
Balance at 31st December 2001	£ 100	£ 74,050	£ 74,150

15. RELATED PARTY TRANSACTIONS

As at the year end, Tempura Limited owed Bancassurance Counseil S.A., a wholly owned subsidiary, £935,176 (2000 - £908,083) (as disclosed in note 11). Interest was paid on the loan of £52,642 (2000 - £59,861).

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 £340,599 (2000: £244,926) by Arenba Limited, a subsidiary undertaking.