

4447607

MAPLE LEAF CAPITAL (UK) LTD

ANNUAL REPORT

Year to 30 November 2004



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MAPLE LEAF CAPITAL (UK) LTD

COMPANY INFORMATION

Director	M Wexler
Secretary	D Eton
Company Number	4447607
Auditors	RSM Robson Rhodes LLP 186 City Road London EC1V 2NU
Bankers	Royal Bank of Scotland 49 Charring Cross London SW1A 2DX
Legal Advisors	Iliad Consulting Limited 2 nd Floor 7 Albermarle Street London, W1X 3HF
Registered Office	22 Upper Brook Street London, W1K 7PZ

REPORT OF THE DIRECTOR

The Director presents his report and accounts of the Company for the year ended 30 November 2004.

Principal activity and business review

The principal activity of the Company is that of a service company to Maple Leaf Capital LLP. It is the Corporate Member of Maple Leaf Capital LLP.

Results and dividends

The trading results for the year and the Company's financial position at the end of the year are shown on page 6. The director does not recommend the payment of a dividend.

Future developments

The Director is optimistic regarding the future development of the Company.

Director and his interests

The Director who served during the year and his interests in the share capital of the Company are as follows:

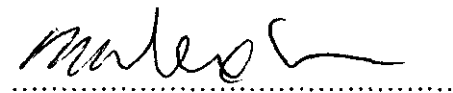
	At 30 November 2004 Ordinary Shares	At 30 November 2003 Ordinary Shares
M Wexler	1	1

M Wexler's beneficial ownership is through Maple Leaf Capital (Cayman) Limited.

Auditors

The auditors have indicated they are willing to continue in office, and a resolution to reappoint them will be proposed at the forthcoming annual general meeting.

On behalf of the board


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25 February 2005

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law in the United Kingdom requires the directors to prepare financial statements 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 financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- states whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping proper accounting records which 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.

The director is responsible for ensuring that the Director's Report and other information included in the Annual report is prepared in accordance with company law in the United Kingdom.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER

We have audited the financial statements on pages 6 to 14.

This report is made solely to the company's shareholder, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

The director's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable 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.

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Director's 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 director's remuneration and transactions with the company is not disclosed.

We read the Director's 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 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 November 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

RSM Robson Rhodes LLP

RSM Robson Rhodes LLP
Chartered Accountants and Registered Auditors

London, England
25 February, 2005

MAPLE LEAF CAPITAL (UK) LTD

PROFIT AND LOSS ACCOUNT

for the year ended 30 November 2004

		Year to 30 November 2004 £	Year to 30 November 2003 £
Re-imbursed expenses from Maple Leaf Capital LLP	Note	415,668	592,987
Administrative expenses	3	<u>(413,647)</u>	<u>(581,360)</u>
Operating profit		2,021	11,627
Interest receivable		6,129	-
Profit on ordinary activities before taxation		8,150	11,627
Tax on profit on ordinary activities	6	(840)	(367)
Retained profit for the financial year after taxation		<u>7,310</u>	<u>11,260</u>

The company has no recognised gains or losses other than the results for the year. All amounts are in respect of continuing operations.

MAPLE LEAF CAPITAL (UK) LTD

BALANCE SHEET

at 30 November 2004

	Note	2004 £	2003 £
Fixed assets			
Tangible fixed assets	7	5,933	14,734
Investments	8	1,000	1,000
		<u>6,933</u>	<u>15,734</u>
Current assets			
Debtors	9	97,899	269,038
Cash at bank		627	8,481
		<u>98,526</u>	<u>277,519</u>
Creditors: amounts falling due within one year	10	(86,888)	(281,992)
Net current assets (liabilities)		<u>11,638</u>	<u>(4,473)</u>
Net Assets		<u>18,571</u>	<u>11,261</u>
Capital and reserves			
Called-up equity share capital	12,13	1	1
Profit and loss account	13	18,570	11,260
		<u>18,571</u>	<u>11,261</u>

Signed on behalf on the board



Director

25 February 2005

MAPLE LEAF CAPITAL (UK) LTD

CASH FLOW STATEMENT**At 30 November 2004**

		Year to 2004 £	Year to 2003 £
Net cash inflow (outflow) from operating activities	Note 14	(13,983)	15,137
Returns on investments		6,129	-
Increase /(decrease) in cash		<u>(7,854)</u>	<u>15,137</u>

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b) Fixed assets

Fixed assets are recorded at cost.

Depreciation is calculated so as to write off the cost of an asset less its estimated residual value over the useful economic life of that asset as follows.

Office and computer equipment	-	3 years
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Furniture and fittings	-	3 years
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c) Taxation

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by Financial Reporting Standard 19.

e) Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken to the profit and loss account.

f) Investments

Investments are held at cost less any permanent diminution.

g) Operating leases

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the leases.

2. TURNOVER

Turnover is attributable to one continuing activity that of a service Company. All income is generated in the United Kingdom and is computed on the basis of expenses incurred plus a mark-up.

MAPLE LEAF CAPITAL (UK) LTD

3. OPERATING PROFIT

Operating Profit is arrived at after charging:

	Year to 30 November 2004 £	Year to 30 November 2003 £
Depreciation of owned fixed assets	8,801	8,802
Operating lease expenses	78,065	99,256

The audit fee has been borne by Maple Leaf Capital LLP

4. EMPLOYEES

	Year to 30 November 2004 £	Year to 30 November 2003 £
Wages and salaries	14,079	127,015
Social security costs	1,733	13,506
	<u>15,812</u>	<u>140,521</u>

The average number of employees (including the director) during the period was as follows:

	2004 No.	2003 No.
Administration/compliance	-	3
Fund management	2	2
	<u>2</u>	<u>5</u>

5. DIRECTOR'S EMOLUMENTS

	Year to 30 November 2004 £	Year to 30 November 2003 £
Emoluments	<u>-</u>	<u>37,333</u>

6. TAXATION

Corporation tax at 19% (2003 – 19%)	<u>840</u>	<u>367</u>
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The current taxation charge for the year is different from the standard rate of corporation tax in the UK for smaller companies (19%). The differences are explained below.

	Year to 30 November 2004 £	Year to 30 November 2003 £
Profit on ordinary activities before taxation	<u>8,150</u>	<u>11,627</u>
Theoretical tax at UK Corporation Tax rate of 19% (2003: 19%)	1,548	2,209
Effects of		
- use of prior year losses	-	(2,678)
- Depreciation in excess of capital allowances	1,450	1,375
- Other adjustments	(1,358)	-
- other expenditure not tax deductible	-	411
- marginal relief	<u>(800)</u>	<u>(950)</u>
Actual current tax charge	<u>840</u>	<u>367</u>

7. TANGIBLE FIXED ASSETS

	Office and computer equipment £	Furniture and fittings £	Total £
Cost:			
As at 1 December 2003	<u>15,987</u>	<u>10,418</u>	<u>26,405</u>
Depreciation:			
Brought forward	7,053	4,618	11,671
Charge for the year	5,329	3,472	8,801
Carried forward	<u>12,382</u>	<u>8,090</u>	<u>20,472</u>
Net book value:			
At 30 November 2004	3,605	2,328	5,933
At 30 November 2003	<u>8,934</u>	<u>5,800</u>	<u>14,734</u>

MAPLE LEAF CAPITAL (UK) LTD

8. INVESTMENTS

	2004 £	2003 £
Unlisted:		
As at 30 November 2004	<u>1,000</u>	<u>1,000</u>

The investment represents the company's holding in Maple Leaf Capital LLP, an entity incorporated in the United Kingdom.

9. DEBTORS

	2004 £	2003 £
Maple Leaf Capital LLP	-	171,260
Other debtors	<u>97,899</u>	<u>97,778</u>
	<u>97,899</u>	<u>269,038</u>

Included in other debtors is £97,778 in respect of a rent deposit, which is recoverable after more than one year.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Amount due to Maple Leaf Capital LLP	72,867	-
Amount due to Maple Leaf Capital (Cayman) Ltd	-	249,999
Other taxes and social security	562	1,329
Other creditors	1,417	2,269
Accruals	11,294	28,028
Corporation tax	<u>748</u>	<u>367</u>
	<u>86,888</u>	<u>281,992</u>

11. RELATED PARTY TRANSACTIONS

The Company is a member of Maple Leaf Capital LLP, a UK limited liability partnership whose registered office is 22 Upper Street, London, W1K 7P2. Under the terms of the Partnership Agreement dated 20 September 2002 the Company is entitled to be reimbursed by the Partnership for certain expenses which it has incurred on behalf of the Partnership. During the year the Company was reimbursed £415,668. (2003:£592,987). In addition the Company is obliged to reimburse Maple Leaf Capital (Cayman) Limited in respect of certain expenses and benefits incurred on behalf of seconded employees. During the year the amount payable was £250,000 (2003: £250,000).

MAPLE LEAF CAPITAL (UK) LTD

12. SHARE CAPITAL

	2004 £	2003 £
Authorised : 100,000 ordinary shares of £1	100,000	100,000
Allotted, called up and fully paid 1 ordinary share of £1	1	1

13. RECONCILIATION OF SHAREHOLDER'S FUND AND MOVEMENTS ON RESERVES

	Share Capital £	Profit and loss account £	Total Shareholder's Funds £
At 1 December 2003	1	11,260	11,261
Profit for the period	-	7,310	7,310
At 30 November 2004	<u>1</u>	<u>18,570</u>	<u>18,571</u>

14. RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Year to 30 November 2004	Year to 30 November 2003
Operating profit	2,021	11,627
Depreciation	8,801	8,802
Increase (decrease) in debtors	171,139	(169,760)
Increase (decrease) in creditors	(195,944)	164,468
Net cash (outflow) inflow from operating activities	<u>(13,983)</u>	<u>15,137</u>

MAPLE LEAF CAPITAL (UK) LTD

15. ANALYSIS OF CHANGES IN NET FUNDS

	At 30 November 2003 £'000	Cash inflow / (outflow) £'000	At 30 November 2003 £'000
Cash at bank	8,481	(7,854)	627
	<u>8,481</u>	<u>(7,854)</u>	<u>627</u>

16. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/(DEBT)

	Year to 30 November 2004 £	Year to 30 November 2003 £
Increase (decrease) in cash in the year	(7,854)	15,137
Change in net cash resulting from cash flows	<u>(7,854)</u>	<u>15,137</u>
Net cash at 30 November 2003	8,481	(6,656)
Net cash at 30 November 2004	<u>627</u>	<u>8,481</u>

17. FINANCIAL COMMITMENTS

At 30 November 2004 the Company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2004 £	Land and buildings 2003 £
Operating leases which expire in two to five years	<u>94,500</u>	<u>94,500</u>

18. ULTIMATE CONTROLLING PARTY

The company's ultimate controlling party is M Wexler.