Company Registation Number
5754821

Investment Solutions Investment Administration Services Limited

Report and Financial Statements

for the year ended
31 March 2011



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Investment Solutions Investment Administration Services Limited
Registered Number: 5754821
Report and Financial Statements for the year ended 31 March 2011
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Investment Solutions Investment Administration Services Limited
Registered Number: 5754821
Company Information

Directors

D de Bruin (resigned 12 November 2010)
M McGrade (appointed 15 September 2010)
D Msibi (appointed 23 March 2011)
A Newton (resigned 28 April 2011)
G Stobart
R Warner (appointed 6 January 2011)
P Bradley (appointed 27 May 2011)

Non executive director
M Christophers

Secretary
L Voss

Auditors
PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

Registered Office
5th Floor
Leon House
233 High Street
Croydon
Surrey
CR9 9AF

Investment Solutions Investment Administration Services Limited
Registered Number: 5754821
Directors' Report
for the year ended 31 March 2011

The Directors present their report and audited financial statements accounts of the Company for the year ended 31 March 2011

Principal activities

The Company acts as a service company for the Investment Solutions Group, providing investment research, marketing, sales and general services

Review of the business

During the year ended 31 March 2011 the Company continued its research activities with a broader scope than previously Costs continue to be recharged to group companies with operating expenses decreasing by 17% compared to the prior year

Within the year ended 31 Mar 2011 the Company issued 1,000,000 ordinary shares of £1 each to Investment Solutions Group Limited

Results and dividends

The loss for the year, after taxation, amounted to £270,239 (2010 £483,583) The Directors do not recommend the declaration of a dividend for the year (2010 Nil)

Review of business and future developments

i) Review of developments and performance of the business and position at year-end
The Directors are satisfied with the performance of the Company for the year ended 31 March 2011

ii) Principal risks and uncertainties
The Company is reliant on the performance of the underlying investment funds for which it provides investment research, as well as its ability to generate new business for the Investment Solutions Group The Company is exposed to global financial market volatility

iii) Key performance indicators
Net profit is the key performance indicator for the business and despite the disappointing results for the year, the Directors remain confident about the future outlook for the Company

The Company incurred a loss for the year of £270,239, a decrease of 44% on the prior year

Directors

The Directors of the Company during the year under review are shown on page 1

Investment Solutions Investment Administration Services Limited
Registered Number: 5754821
Directors' Report
for the year ended 31 March 2011

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the Directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Directors are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and accounting estimates that are reasonable and prudent,
- 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 the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and 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 2006 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 Directors are responsible for the maintenance and integrity of the Company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Financial risk management objectives and policies

The Directors consider that there is no material exposure to price, currency, credit, liquidity or interest rate risk for the financial instruments held by the Company The Company does not hold equity instruments, and the financial assets and liabilities are British pound denominated

Investment Solutions Investment Administration Services Limited
Registered Number: 5754821
Directors' Report
for the year ended 31 March 2011

Disclosure of information to Auditors

So far as each Director at the date of approval of this report is aware

- there is no relevant audit information of which the Company's auditor is unaware, and
- the Directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

Auditors

In accordance with the Companies Act 2006, the Company is no longer required to hold annual general meetings Subject to the receipt of any objections as provided under statute or the Company's Articles of Association, the Company is relying on the provisions for the deemed reappointment of PricewaterhouseCoopers LLP as auditors as provided in section 487 of the Companies Act 2006 and PricewaterhouseCoopers LLP have indicated their willingness to continue as auditors of the Company

This report has been prepared in accordance with the special provisions relating to small companies with Part 15 of the Companies Act 2006

This report was approved by the Board of Directors on 27 May 2011 and signed on its behalf by

R Warner
Director
09 June 2011

Investment Solutions Investment Administration Services Limited
Independent Auditors' Report
to the Shareholder of Investment Solutions Investment Administration Services Limited

We have audited the financial statements of Investment Solutions Investment Administration Services Limited for the year ended 31 March 2011 which comprise the profit and loss account, the balance sheet and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report is made solely to the Company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the Company's Members those matters we are required to state to them in an auditors' 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 Members as a body, for our audit work, for this report, or for the opinions we have formed

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on the financial statements
In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 March 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Investment Solutions Investment Administration Services Limited
Independent Auditors' Report
to the Shareholder of Investment Solutions Investment Administration Services Limited

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Jeremy Jensen (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

09 June 2011

Investment Solutions Investment Administration Services Limited
Registered Number. 5754821
Profit and Loss Account
for the year ended 31 March 2011

	Notes	2011 £	2010 £
Turnover	2	**2,370,872**	2,625,118
Administrative expenses		**(2,743,069)**	(3,295,934)
Operating loss	3	**(372,197)**	(670,816)
Other interest receivable and similar income		**(24,435)**	-
Loss on ordinary activities before taxation		**(396,632)**	(670,816)
Tax on loss on ordinary activities	6	**126,393**	187,233
Loss for financial year		**(270,239)**	(483,583)

All items dealt with in arriving at the above results relate to continuing operations

The Company had no recognised gains and losses during the year, other than the result for each year, and therefore no separate statement of total recognised gains and losses has been prepared

There is no difference between the above results from ordinary activities before taxation and the retained loss for the year stated above and their historical cost equivalents

Investment Solutions Investment Administration Services Limited
Registered Number: 5754821
Balance Sheet
as at 31 March 2011

	Notes	2011	2010
		£	£
Current assets			
Debtors	7	**332,493**	297,597
Cash at bank and in hand		**450,144**	-
		782,637	297,597
Creditors amounts falling due within one year	8	**(536,458)**	(781,179)
Net current assets/(liabilities)		**246,179**	(483,582)
Total assets less current liabilities		**246,179**	(483,582)
Net assets/(liabilities)		**246,179**	(483,582)
Capital and reserves			
Called up share capital	9	**1,000,001**	1
Profit and loss account	10	**(753,822)**	(483,583)
Total shareholder's funds	11	**246,179**	(483,582)

The financial statements on pages 7 to 12 were approved by the Board of Directors on 27 May 2011 and signed on its behalf by

P Bradley
Director
09 June 2011

Investment Solutions Investment Administration Services Limited
Registered Number: 5754821
Notes to the Accounts
for the year ended 31 March 2011

1 Accounting policies

Basis of accounting

These financial statements are prepared under the going concern and historical cost convention in accordance with the Companies Act 2006 and applicable accounting standardsin the United Kingdom The Company has adopted the requirements of all relevant accounting standards, including those issued during the year and effective 31 March 2011 The principal accounting policies are set out below

New accounting policies

No new accounting policies were adopted during the current period The Company is exempt from Financial Reporting Standard 'FRS' 29 (Financial Instruments Disclosures) as it does not hold assets at fair value and has therefore not adopted FRS 26 (Financial Instruments Recognition and Measurement)

Cash flow statement

The Company is a wholly owned subsidiary of Alexander Forbes Limited and the cash flows of the Company are included in the consolidated cash flow statement of that company Consequently the Company is exempt under the terms of FRS 1 from publishing its own cash flow statement

2 Turnover

Turnover represents income earned on investment research provided by the Company to other Alexander Forbes Group companies and fees charged to Investment Solutions Group companies for new business generated from sales and marketing activities

	£	£
Research services	518,635	175,280
New business charges	37,697	82,889
Recharges to group companies	1,814,540	2,366,949
	2,370,872	2,625,118

3 Operating profit

	2011 £	2010 £
This is stated after charging		
Auditors' remuneration - for audit fees	**5,000**	2,500

4 Directors' emoluments

The Executive Directors are employed and paid by companies in the Alexander Forbes International Limited Group An allocation of the emoluments for the Executive Directors' services is disclosed below

	2011	2010
	£	£
Executive Directors:		
Salaries and other emoluments	**17,690**	11,956
Aggregate contributions to defined contribution pension funds	**2,018**	1,466
	19,708	13,422
Amounts attributable to highest paid Director:		
Salaries and other emoluments	**8,656**	11,956
Aggregate contributions to defined contribution pension funds	**1,494**	1,466
	10,150	13,422

5 Employee information

The Company has no employees Staff costs were borne by Alexander Forbes Services Limited Alexander Forbes Services Limited is a fellow Group undertaking and recharged staff costs to the Company as management fees Details of employees and employee related costs, including pension costs, are shown in the financial statements of that company

6 Taxation

	2011	2010
	£	£
Current tax		
UK corporation tax on profits of the period	(126,393)	(187,233)
Tax on loss on ordinary activities	(126,393)	(187,233)

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	2011	2010
	£	£
Loss on ordinary activities before tax	(396,632)	(670,816)
Standard rate of corporation tax in the UK	28%	28%
	£	£
Loss on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 28% (2010 28%)	(111,057)	(187,828)
Effects of		
Expenses not deductible for tax purposes	(15,336)	595
Current tax charge for period	(126,393)	(187,233)

Tax credits for the period will be allocated to another company within the Group as a Group Relief payment

7 Debtors

	2011	2010
	£	£
Amounts owed by group undertakings	198,600	104,984
Corporation tax recoverable	126,393	187,233
Prepayments and accrued income	7,500	5,380
	332,493	297,597

8 Creditors: amounts falling due within one year

	2011	2010
	£	£
Amounts owed to group undertakings	250,800	417,611
Accruals and deferred income	285,658	363,568
	536,458	781,179

Amounts owing by group undertakings are unsecured and represent trading balances on which no interest is charged

9 Share capital

	2011	2010
	£	£
Ordinary shares of £1 each	1,000,001	1

On 23 March 2011, the Company issued 1,000,000 ordinary shares of £1 each

10 Profit and loss account

	2011	2010
	£	£
At 1 April	(483,583)	-
Loss for the financial year	(270,239)	(483,583)
At 31 March	(753,822)	(483,583)

11 Reconciliation of movement in shareholder's funds

	2011	2010
	£	£
At 1 April	(483,582)	1
Loss for the financial year	(270,239)	(483,583)
Shares issued	1,000,000	-
At 31 March	246,179	(483,582)

12 Related party transactions

The Company is a wholly owned subsidiary within the Alexander Forbes Limited Group and advantage has been taken of the exemption in FRS 8 not to disclose any transactions with entities that are part of that group, as the accounts of Alexander Forbes Limited are publicly available Details of Directors are shown on page 1

Indirect operating expenses incurred on behalf of the Investment Solutions Group relating to the maintenance of existing business are recharged to the appropriate Group operating entities Indirect operating, sales and marketing expenses related to the attainment of new business by the Investment Solutions Group are retained by the Company and an asset based fee is charged to the appropriate Group entity on a success basis

In the year ended 31 March 2011 net management expenses incurred by Investment Solutions Investment Administration Services amounted to £2,743,069 (2010 £3,295,934) of which £1,814,539 (2010 £2,366,949) was recharged to Group companies

13 Ultimate Parent Company and Controlling Party

The Company's immediate parent company at 31 March 2011 was Investment Solutions Group Limited, which is registered in England and Wales The Company's ultimate parent company and controlling party at 31 March 2011 was Alexander Forbes Equity Holdings (Pty) Limited, a company registered in South Africa

The largest and smallest groups for which group accounts are prepared and of which the Company is a member is as follows

	Largest	**Smallest**
Name	Alexander Forbes Equity Holdings (Pty) Limited	Alexander Forbes Limited
Country of incorporation	South Africa	South Africa
Address from which copies of the group accounts can be obtained	61 Katherine Street Sandown 2196 South Africa	61 Katherine Street Sandown 2196 South Africa