

# **Integrated Asset Management plc**

## **REPORT AND FINANCIAL STATEMENTS**

**30th APRIL 2000**

## Integrated Asset Management PLC

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# **Integrated Asset Management PLC**

## **DIRECTORS AND ADVISERS**

### **Directors**

J.D.S. Booth  
E.M. Arbib  
N.C. Epstein  
R.E. Nemni  
M. Segall (*Appointed 4 February 2000*)

### **Secretary**

K.S. Williams

### **Registered Office**

4 Hill Street  
London, W1J 5NE

### **Auditors**

Moore Stephens  
Chartered Accountants  
St. Paul's House  
Warwick Lane,  
London, EC4P 4BN.

### **Nominated Adviser**

English Trust Company Limited  
12a Charterhouse Square  
London, EC1M 6NA

### **Nominated Broker**

Insinger Townsley  
44 Worship Street  
London, EC2A 2JT

## **Integrated Asset Management PLC**

### **CHAIRMAN'S STATEMENT**

The board has continued to pursue its strategy of growing IAM as an asset management business.

On 23 October 2000 your board announced that the company had entered into an agreement to acquire 50.002 per cent. of the issued share capital of Interfin, an Italian retail stock broker and agency broker in money markets derivatives. Also the company has an option to acquire the balance of the issued share capital. This investment constitutes a reverse takeover for the purposes of the AIM Rules and therefore the board is convening an extraordinary meeting to approve them. The full details of the investment are set in the circular issued to shareholders on 23rd October.

The business of Global Investment Advisors Limited was acquired on 12 April 2000. As the business was acquired in the last month of the financial year the results do not include the trading activity of the Company. Global, subject to regulatory approval, plans to extend its customer base to enable it to do business with Interfin SPA and to undertake other investment management services within the Group as it grows.

The Company is also developing a business focused in alternative investment management targeted to institutions and experienced high net worth individuals (qualified investors) . Subject to regulatory clearance a family of funds of hedge funds will be launched and at a later stage a third party products distribution business with emphasis on online facilities will be implemented. The acquisition of Interfin, with an established presence in the Italian institutional market, should fit within this strategy providing a potential client base to promote such investments.

As part of the process of developing the Group, strategic alliances are currently being sought which will enhance the growth potential and commercial opportunities of the various businesses within the Group. The Company intends to make the first of these alliances by taking an investment in Online SIM SpA . Online SIM SpA is an Italian fund distribution company offering a fund investment service on the Internet. The investment will result in the Group having a 1% interest in the share capital of Online SIM SpA. Online SIM SpA has raised €2.1 million from investors and launched its service in July 2000. The Company plans to enter co-operative arrangements with other companies to enhance the alternative investment management business.

The Board believes that the prospects for the Group over the next twelve months are good with a number of further opportunities for expansion being progressed.

J.D.S Booth

## Integrated Asset Management PLC

### REPORT OF THE DIRECTORS

The directors present their report and audited financial statements for the year ended 30 April 2000.

#### Review of Activities

The company and group was established in 1997 to build a business in private clients and smaller institutional management services within the financial services sector.

A new board was appointed on 1 May 1999 with the intention of restoring the fortunes of the company and group by concentrating on potential acquisitions in the field of international private client asset management, and other financial services business. The company has successfully acquired a 100% shareholding in Global Investment Advisers Ltd as part of this strategy.

#### Results and Dividends

In the year ended 30 April 2000 the group made a loss of £211,802 (1999 – profit £39,980). The directors do not recommend the payment of any dividend.

#### Directors

Mr. N.C. Epstein will retire by rotation at the annual general meeting and being eligible will offer himself for re-election.

Mark Segall was appointed director on 4 February 2000 and will retire at the annual general meeting and being eligible will offer himself for re-election.

#### Directors' Interests in the Company's Share Capital

The interests as defined by the Companies Act 1985 in the share capital of the company were as follows:

	<i>At 30th April 2000 Number</i>	<i>At 30th April 1999 Number</i>
J.D.S. Booth	320,000	160,000
E.M. Arbib	380,514	215,257
N.C. Epstein	480,000	240,000
R.E. Nemni	120,000	60,000
M. Segal	–	–

In addition, E.M. Arbib has indirect interests of a further 100,000 shares through family holdings.

## **Integrated Asset Management PLC**

### **REPORT OF THE DIRECTORS** *(continued)*

#### **Substantial Interests**

The undernoted shareholdings as at 3rd October 2000 have been advised to the company:

	<i>Number</i>	<i>Percentage Holding</i>
Pershing Keen Nominees Limited	1,056,195	19.51%
Asset Management Investment Company plc	600,000	11.08%
Schweco Nominees Limited	345,000	6.37%
HSBC Global Custody Nominees (UK) Limited	733,061	13.54%
Morstan Nominees Limited	200,000	3.69%
Privatbank Bellerive AG	209,743	3.87%

#### **Charitable Donations**

The group made charitable donations of £Nil (1999: £350) during the financial year.

#### **Payment Policy**

It is company and group policy to agree payment terms with suppliers in accordance with contractual or other legal obligations. Trade creditors at 30 April 2000 represented 30 days (1999 – 8 days) of annual amounts invoiced by suppliers.

#### **Corporate Governance**

The Board is currently having discussions with the group's advisors to put in place appropriate structures to comply with best corporate governance practice.

#### **Auditors**

The auditors, Messrs. Moore Stephens, are willing to continue in office. A resolution for their re-appointment and authorising the directors to fix their remuneration will be submitted to the annual general meeting.

By Order of the Board

K.S. WILLIAMS  
*Company Secretary*

19 October 2000

## **Integrated Asset Management PLC**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE PERIOD ENDED 30 APRIL 2000**

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the group and of the profit or loss of the group 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;
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Integrated Asset Management PLC**

### **REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF INTEGRATED ASSET MANAGEMENT PLC**

We have audited the financial statements on pages 7 to 19 which have been prepared under the historical cost convention and the accounting policies set out on page 11.

#### **Respective Responsibilities of Directors and Auditors**

As described on page 5 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 financial statements. It also includes an assessment of the significant estimates and judgements 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 misstatements, 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 the company's and group's affairs at 30 April 2000 and of its results and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

St. Paul's House  
Warwick Lane  
London, EC4P 4BN

MOORE STEPHENS  
Registered Auditor  
Chartered Accountants

19 October 2000

## Integrated Asset Management PLC

### Consolidated Profit and Loss Account for the year ended 30 April 2000

	<i>Note</i>	2000 £	1999 £
<b>Turnover</b>		–	–
Net operating expenses		(223,219)	1,684
Operating (loss)/profit		(223,219)	1,684
Investment income	2	11,417	39,334
Interest payable	3	–	(1,038)
<b>(Loss)/Profit on Ordinary Activities before Taxation</b>	4	(211,802)	39,980
<b>Taxation on (Loss)/Profit on Ordinary Activities</b>	6	–	–
<b>(Loss)/Profit for the Financial Year</b>		<u>(211,802)</u>	<u>39,980</u>
Basic (loss)/earnings per share	7	<u>(7.6)p</u>	<u>1.51p</u>
Diluted (loss)/earnings per share	7	<u>(7.1)p</u>	<u>1.62 p</u>
<b>Summary of Accumulated Losses</b>			
Balance at 1 May 1999		(1,880,816)	(1,920,796)
(Loss)/profit for the financial year		<u>(211,802)</u>	<u>39,980</u>
Balance at 30 April 2000		<u>(2,092,618)</u>	<u>(1,880,816)</u>

There are no recognised gains or losses other than those included in the profit and loss account.

All the operations of the group are continuing operations.

## Integrated Asset Management PLC

### Consolidated Balance Sheet – 30 April 2000

	<i>Notes</i>	<i>2000</i>		<i>1999</i>	
		£	£	£	£
<b>Fixed Assets</b>					
Intangible fixed assets	8		98,178		–
Tangible assets	9(i)		11,270		150
Investments	10		–		–
			<u>109,448</u>		<u>150</u>
<b>Current Assets</b>					
Debtors	11	213,473		66,915	
Cash at bank and in hand		<u>2,094,789</u>		<u>482,644</u>	
		2,308,262		549,559	
<b>Creditors, amounts falling due within one year</b>	12	<u>(314,586)</u>		<u>(39,388)</u>	
<b>Net Current Assets</b>			<u>1,993,676</u>		<u>510,171</u>
<b>Total Assets Less Current Liabilities</b>			<u>2,103,124</u>		<u>510,321</u>
 <b>Capital and Reserves</b>					
Called up share capital	13		1,057,200		528,600
Share premium account	14		3,138,542		1,862,537
Profit and loss account			<u>(2,092,618)</u>		<u>(1,880,816)</u>
<b>Equity Shareholders' Funds</b>	15		<u>2,103,124</u>		<u>510,321</u>

These financial statements were approved by the board on 19 October 2000 and signed on behalf of

J.D.S. BOOTH }  
E.M. ARBIB } Directors

## Integrated Asset Management PLC

### Balance Sheet – 30 April 2000

	<i>Notes</i>	<i>2000</i>		<i>1999</i>	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	9(ii)		1,118		150
Investments	10		224,880		–
			<u>225,998</u>		<u>150</u>
<b>Current Assets</b>					
Debtors	11	129,785		66,915	
Cash at bank and in hand		<u>2,015,037</u>		<u>482,644</u>	
		2,144,822		549,559	
<b>Creditors, amounts falling due within one year</b>	12	<u>(266,032)</u>		<u>(39,388)</u>	
<b>Net Current Assets</b>			<u>1,878,790</u>		<u>510,171</u>
<b>Total Assets Less Current Liabilities</b>			<u><u>2,104,788</u></u>		<u><u>510,321</u></u>
 <b>Capital and Reserves</b>					
Called up share capital	13		1,057,200		528,600
Share premium account	14		3,138,542		1,862,537
Profit and loss account			<u>(2,090,954)</u>		<u>(1,880,816)</u>
<b>Equity Shareholders' Funds</b>	15		<u><u>2,104,788</u></u>		<u><u>510,321</u></u>

These financial statements were approved by the board on 19 October 2000 and signed on their behalf by

J.D.S. BOOTH }  
E.M. ARBIB } Directors

## Integrated Asset Management PLC

### Consolidated Cash Flow Statement for the year ended 30 April 2000

	<i>Notes</i>	<i>2000</i> £	£	<i>1999</i> £	£
<b>Cash Flow from Operating Activities</b>	16		(57,542)		(156,267)
<b>Returns on Investments and Servicing of Finance</b>					
Interest received		11,417		34,783	
Interest element of finance lease rental payments		—		(1,038)	
		—		(1,038)	
<b>Net Cash Inflow from Returns on Investments and Servicing of Finance</b>			11,417		33,745
<b>Capital Expenditure and Financial Investment</b>					
Purchase of tangible fixed assets		(1,207)		—	
Proceeds from sale of tangible fixed assets		—		33,375	
		—		33,375	
Net cash outflow/(inflow) from capital expenditure and financial investment			(1,207)		33,375
<b>Acquisitions and Disposals</b>					
Acquisition of subsidiary	18	(224,880)		—	
Net cash acquired with subsidiary		79,752		—	
		—		—	
Net cash outflow from acquisitions and disposals			(145,128)		—
			(145,128)		—
<b>Net Cash Outflow before Financing</b>			(192,460)		(89,147)
<b>Financing</b>					
Issue of ordinary share capital		1,982,250		—	
Capital element of finance lease rental payments		—		(31,848)	
Expenses paid in connection with share issues		(177,645)		—	
		—		—	
<b>Net Cash Inflow/(Outflow) from Financing</b>			1,804,605		(31,848)
<b>Increase/(Decrease) in Cash in the Year</b>	17		1,612,145		(120,995)

## Integrated Asset Management PLC

### Consolidated Cash Flow Statement for the year ended 30 April 2000

	<i>Notes</i>	<i>2000</i>		<i>1999</i>	
		£	£	£	£
<b>Reconciliation of Net Cash Flow to Movement in Net Funds</b>					
<b>Increase/(Decrease) in Cash in Period</b>		1,612,145		(120,995)	
Cash outflow from decrease in debt and lease financing		—		31,848	
		<hr/>		<hr/>	
<b>Movement in Net Funds in the Year</b>			1,612,145		(89,147)
<b>Net Funds at 1 May 1999</b>			482,644		571,791
			<hr/>		<hr/>
<b>Net funds at 30 April 2000</b>	17		<u>2,094,789</u>		<u>482,644</u>

## Integrated Asset Management PLC

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2000

#### NOTES

##### 1. Principal Accounting Policies

###### (a) *Basis of preparation*

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

###### (b) *Basis of consolidation*

The consolidated financial statements include the financial statements of the company and its subsidiaries made up to 30 April 2000. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

###### (c) *Fixed assets and depreciation*

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is being provided so as to write off the assets over their estimated useful lives. The annual rate used is 25 per cent.

###### (d) *Leased assets*

Leased assets are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies. The present value of future lease rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding.

###### (e) *Goodwill*

Goodwill arising from the acquisition of subsidiary undertakings, representing excess of purchase consideration over the fair value of net assets acquired, has been capitalised and amortised over its useful economic life of 5 years.

###### (f) *Investments*

Investments are stated at cost less provision against diminution in value in the investment.

###### (g) *Foreign currency*

Transactions throughout the year were translated at the rate ruling at the transaction date. Liabilities and current assets at the year end were translated at the rates ruling on the balance sheet date. The difference was taken to the profit and loss account.

**Integrated Asset Management PLC**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2000**

**NOTES** *(continued)*

**2. Investment Income**

	2000	1999
	£	£
Interest received	11,417	39,334
	<u>11,417</u>	<u>39,334</u>

**3. Interest Payable**

	2000	1999
	£	£
Lease finance charges	-	1,038
	<u>-</u>	<u>1,038</u>

**4. (Loss)/Profit on Ordinary Activities before Taxation**

(Loss)/Profit on ordinary activities before taxation is stated after charging/(crediting):

	2000	1999
	£	£
Goodwill amortisation	1,664	-
Depreciation	239	2,490
Directors' emoluments	15,218	-
Auditors' remuneration		
– Audit fees	5,500	5,288
– Non audit fees	11,061	1,478
Exceptional item	-	(88,901)
Unrealised exchange loss	46,968	-
	<u>46,968</u>	<u>-</u>

**Exceptional Item**

In 1999, the exceptional item originally related to a provision of £720,000 against an investment, together with related legal costs of acquisition and litigation in pursuit of recovery. The debt is still being pursued and £88,901 was recovered during 1999.

## Integrated Asset Management PLC

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2000

#### NOTES (continued)

##### 5. Directors and Employees

	2000	1999
	£	£
Wages and salaries	24,291	8,922
Social security costs	893	893
Other staff costs	–	663
	<u>25,184</u>	<u>10,478</u>

Included within wages and salaries are director's emoluments totalling £15,218 (1999: £Nil).

The average monthly number of persons employed in an administrative capacity by the company was 3 (1999 – 1).

##### 6. Taxation on Ordinary Activities

There is no UK corporation tax charge due to the loss in the year.

##### 7. Earnings/Loss Per Share

The calculation of earnings per share is based on loss for the year of £211,802 (1999 – Profit £39,980) divided by the weighted average of ordinary shares in issue for the year ended 30 April 2000 of 2,773,339 (1999 – 2,643,000). Diluted loss per share includes share options as shown in note 19 in calculating the denominator and notional interest receivable on option proceeds as if the option was exercised on the first day of the financial year.

##### 8. Intangible Fixed Assets – Group

	<i>Goodwill</i>
Cost	
Additions in the year and at 30 April 2000	<u>99,842</u>
Amortisation	
Amortisation in the year and at 30 April 2000	<u>1,664</u>
Net book value	
At 30 April 2000	<u>98,178</u>

**Integrated Asset Management PLC**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2000**

**NOTES** *(continued)*

**9. Tangible Fixed Assets**

**(i) Group**

	<i>Plant and Machinery</i> £	<i>Fixtures and Fittings</i> £	<i>Total</i> £
<b>Cost</b>			
At 1 May 1999	300	–	300
Subsidiary undertaking acquired	20,332	21,680	42,012
Additions in the year	1,207	–	1,207
At 30 April 2000	21,839	21,680	43,519
<b>Depreciation</b>			
At 1 May 1999	150	–	150
Subsidiary undertaking acquired	11,440	20,420	31,860
Charge in the year	239	–	239
	11,829	20,420	32,249
<b>Net book value</b>			
At 30 April 2000	10,010	1,260	11,270
At 30 April 1999	150	–	150

**(ii) Company**

	<i>Plant and Machinery</i> £
<b>Cost</b>	
At 1 May 1999	300
Additions	1,207
At 30 April 2000	1,507
<b>Depreciation</b>	
At 1 May 1999	150
Charge in the year	239
Disposals	–
At 30 April 2000	389
<b>Net book value</b>	
At 30 April 2000	1,118
At 30 April 1999	150

## Integrated Asset Management PLC

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2000

#### NOTES *(continued)*

#### 10. Fixed Asset Investments

	2000		1999	
	Group £	Company £	Group £	Company £
Unlisted investments				
Investment in subsidiaries acquired in the year	-	224,880	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	224,880	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The company had the following subsidiary undertakings:

	<i>Holding of Ordinary Shares in Issue</i>	<i>Nature of Business</i>
Global Investment Advisers Limited	100%	Investment Advisers

St. Helen's Investment Management Limited and FT Asset Management Limited was dissolved during the year.

The fair values of Global Investment Advisers Limited is shown in note 18 and was acquired on 12 April 2000.

There were no fair value adjustments made to the book values of Global Investment Advisers Limited.

#### 11. Debtors

	2000		1999
	Group £	Company £	Group and Company £
Trade debtors	30,529	-	-
Other debtors	115,880	75,277	45,950
Prepayments	21,806	9,250	20,965
Unpaid share capital	45,258	45,258	-
	<hr/>	<hr/>	<hr/>
	213,473	129,785	66,915
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## Integrated Asset Management PLC

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2000

#### NOTES *(continued)*

#### 12. Creditors, amount falling due within one year

	2000		1999
	Group £	Company £	Group and Company £
Trade creditors	146,921	116,822	1,498
Other creditors including taxation and social security	161,743	143,710	2,315
Accruals and deferred income	5,922	5,500	35,575
	<u>314,586</u>	<u>266,032</u>	<u>39,388</u>

#### 13. Share Capital

	2000 £	1999 £
Authorised		
25,000,000 ordinary shares of 20p each	<u>5,000,000</u>	<u>5,000,000</u>
Allotted, called up and fully paid		
5,286,000 (1999: 2,643,000) ordinary shares of 20p each	<u>1,057,200</u>	<u>528,600</u>

Under a placing and open offer dated 7 March 2000, the company raised £1,982,250 through the issue of 2,643,000 ordinary shares of 20 pence each at a premium of 55 pence per share.

#### 14. Share Premium Account – Group and Company

	2000 £
At 1 May 1999	1,862,537
On allotment of shares	1,453,650
Expenses paid in connection with share issues	(177,645)
At 30 April 2000	<u>3,138,542</u>

## Integrated Asset Management PLC

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2000

#### NOTES *(continued)*

#### 15. Reconciliation of Opening Equity shareholders' Fund to Closing Equity Shareholders' Funds

	<i>Group</i>	<i>Company</i>
	<i>2000</i>	<i>2000</i>
	£	£
Opening equity shareholder's funds	510,321	510,321
Share capital issued	1,982,250	1,982,250
Expenses paid in connection with share issues	(177,645)	(177,645)
(Loss) for the financial year	(211,802)	(210,138)
	<u>2,103,124</u>	<u>2,104,788</u>

The company has taken advantage of S230 of the Companies Act 1985 from presenting its own profit and loss account. The company made a loss for the year of £210,138.

#### 16. Reconciliation of Operating (Loss)/Profit to Net Cash Outflow from Operating Activities

	<i>2000</i>	<i>1999</i>
	£	£
Operating (loss)/profit	(223,219)	1,684
Depreciation	239	2,490
Goodwill amortisation	1,664	-
Loss on sale of fixed assets	-	2,214
Increase in debtors	(62,870)	(26,393)
Increase/(decrease) in creditors	226,644	(136,262)
	<u>(57,542)</u>	<u>(156,267)</u>

#### 17. Analysis of Net Funds

	<i>1 May</i>	<i>Cash</i>	<i>30 April</i>
	<i>1999</i>	<i>Flow</i>	<i>2000</i>
	£	£	£
Cash at bank and in hand	482,644	1,612,145	2,094,789
	<u>482,644</u>	<u>1,612,145</u>	<u>2,094,789</u>

## Integrated Asset Management PLC

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2000

#### NOTES *(continued)*

#### 18. Purchase of subsidiary Undertakings

<i>Net Assets Acquired</i>	£
Fixed assets	10,152
Trade debtors	30,529
Other debtors	40,604
Prepayments	12,555
Cash	79,752
Trade creditors	(30,099)
Other creditors	(18,033)
Accruals	(422)
	125,038
Net Assets	99,842
Goodwill	224,880
	224,880
<b>Satisfied by</b>	
Cash	224,880

	<i>4 months ended 31 March 2000 £</i>	<i>Year ended 30 November 1999 £</i>
<b>Turnover</b>	120,000	360,000
<b>Gross Profit</b>	120,000	360,000
Administration expenses	(118,266)	(321,399)
<b>Operating Profit</b>	1,734	38,601
Interest receivable and similar income	719	1,253
<b>Profit on Ordinary Activities before Taxation</b>	2,453	39,854
Taxation on profit on ordinary activities	(670)	(9,686)
<b>Profit on Ordinary Activities after Taxation</b>	1,783	30,168
<b>Retained Profit Brought Forward</b>	73,255	43,087
<b>Retained Profit Carried Forward</b>	75,038	73,255

#### 19. Post Balance Sheet Events

Peel Hunt Plc exercised its right ("the option") to purchase 127,591 shares at £0.627 per share on the 4 May 2000.

#### 20. Significant Transactions with Directors

The directors E.M. Arbib and Rafaello Nemni of the company, are to receive a cash consideration due to the sale of Global Investment Advisers Limited., a company in which they held a significant shareholding.

<i>Name</i>	£
E.M. Arbib	87,527
R.E. Nemni	25,008
	112,535

