N P Record plc

Report & Accounts

31 March 2000

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Company Registration No: 1927640

DIRECTORS' REPORT

The directors present their report and the audited consolidated accounts of the Company and its subsidiary undertakings for the year ended 31 March 2000.

REVIEW OF THE BUSINESS AND FUTURE PROSPECTS

The Company is a holding company and the principal activities of its subsidiary undertakings are currency overlay, fund management and consultancy services. During the year it became clear that N P Record plc was no longer in a position to exercise a significant influence over the operating and financial policies of Integrity Treasury Solutions plc. As a result, the accounting treatment has been altered to deal with the investment as a trade investment, rather than as an interest in an associate as in the prior year. As at 1 April 1999 the Group owned 23.48% of the issued share capital of Integrity Treasury Solutions plc but following a rights issue this holding dropped to 20.48%. During the year the Group sold 75% of its shareholding resulting in a holding of 5.1% as at 31 March 2000.

The funds under management have performed well during the year and the amount of risk under mandate in the Group remains in excess of £5 billion. The Group continues to pursue opportunities to broaden both the services offered and the client base.

RESULTS AND DIVIDENDS

The consolidated profit and loss account for the year ended 31 March 2000 set out on page 5, shows a profit after tax of £235,369 (1999: £561,342). No interim dividend was paid to shareholders (1999: £nil). The directors do not recommend the payment of a final dividend (1999: £nil) and propose that the surplus for the year is transferred to reserves.

DIRECTORS

The directors of the Company and their interests in its ordinary class shares are set out below:

	SHARES	
	31 March 2000	**1 April 1999**
	10p Ordinary Number	**10p Ordinary Number**
N P Record (Chairman) - beneficial	237,478	237,478
- non-beneficial	4,050	4,050
L T Halpin	51,070	51,070
M D Timmins	493	493
A H D Weldon* - beneficial trust**	12,000	12,000
- non-beneficial	116,995	122,862
L F Hill ***	6,167	300

* Indicates non-executive.

** Shares owned by Martinique Holdings Limited (12,000) are held in a trust of which A H D Weldon is a beneficiary.

*** L F Hill was appointed to the board in October 1999.

DIRECTORS' REPORT (Continued)

The Group operates Approved and Unapproved Employee Share Option Schemes under which employees and directors are allocated options to purchase ordinary 10p shares in the parent company, N P Record plc. During the year additional share options were granted under both schemes. The chart shows the directors' interests in share options at the beginning and at the end of the financial year. In addition, a weighted average option price is shown for each director's option holding as at 31 March 2000.

	SHARE OPTIONS				
	Balance 1 April 1999	Number granted	Number exercised or surrendered	Balance 31 March 2000	Weighted average option price
N P Record	3,862	-	-	3,862	£2.50
L T Halpin	15,900	-	-	15,900	£4.25
M D Timmins	11,999	5,868	-	17,867	£3.79
A H D Weldon*	-	-	-	-	-
L F Hill	-	11,736	-	11,736	£6.00

* Indicates non-executive

M D Timmins will retire by rotation at the annual general meeting and, being eligible, will offer himself for re-election. L F Hill having been appointed since the last AGM will retire and being eligible, will offer herself for re-election.

DIRECTORS' AND OFFICERS' INSURANCE

The Company has maintained insurance to cover directors' and officers' liability as permitted by S310(3)(a) of the Companies Act 1985 (as amended).

PERSONNEL

During the year the Group has retained quality staff to maintain its high levels of service. The Group aims to motivate and retain staff by ensuring that remuneration and benefits are competitive.

FIXED ASSETS

The Group has maintained its investment in computer technology in order to provide an efficient service to its clients. The Company no longer owns any motor vehicles.

YEAR 2000

The company suffered no impact from the year 2000 date change nor did any of its major customers, suppliers or trading partners.

DIRECTORS' REPORT (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 1985 to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit or loss for the financial year. The directors are also required to prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

The directors consider that in preparing the accounts on pages 5 to 18, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable, have been followed.

The directors have responsibility for ensuring that the Company and Group keep accounting records which disclose with reasonable accuracy the financial position of the Company and Group and which enable them to ensure that the accounts comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and Group and to prevent and detect fraud and other irregularities.

PAYMENT POLICY AND PRACTICE

It is the Group's policy to settle the terms of payment with suppliers when agreeing the terms of the transaction, to ensure that suppliers are aware of these terms and to abide by them. Trade creditors at the year end amount to 5.8 days (1999: 2.5 days) of average supplies for the year.

AUDITORS

The appointment of Grant Thornton as auditors was approved by members at the annual general meeting in August 1999. Grant Thornton have indicated their willingness to be re-appointed and a resolution to that effect will be proposed at the 2000 annual general meeting.

By Order of the Board

M D Timmins
Secretary

14 June 2000

Company Registration No : 1927640

AUDITORS' REPORT TO THE MEMBERS OF N P RECORD PLC

We have audited the accounts on pages 5 to 18 which have been prepared under the historical cost convention and the accounting policies set out on pages 10 and 11.

Respective responsibilities of directors and auditors

As described on page 3 the Company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards. 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 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the 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 affairs of the Company and Group as at 31 March 2000 and of the profit of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Grant Thornton

GRANT THORNTON
Registered Auditors and
Chartered Accountants
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

14 June 2000

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2000

	Notes	2000	1999
		£	£
TURNOVER	2	2,772,647	3,182,174
Administrative expenses		(2,626,569)	(2,554,783)
GROUP OPERATING PROFIT	2a	146,078	627,391
Share of operating loss in associate		-	(537)
		146,078	626,854
Group interest receivable		45,207	43,901
Associate interest receivable		-	190
Group interest payable	3	(166)	(268)
Associate interest payable		-	(1,140)
Profit on disposal of shares		126,429	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		317,548	669,537
Group tax on profit on ordinary activities	6	(82,179)	(108,195)
Associate tax on profit on ordinary activities		-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAX		235,369	561,342
PROFIT FOR THE FINANCIAL YEAR ADDED TO RESERVES	13	235,369	561,342

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Notes	2000	1999
		£	£
Profit for the financial year		235,369	561,342
Exchange gain	13	3,272	567
Unrealised gain/(loss) on trade investments	9	52,001	(54,613)
TOTAL GAINS/(LOSSES) RECOGNISED SINCE LAST ANNUAL REPORT		290,642	507,296

The notes on pages 9 to 18 form part of these accounts.

CONSOLIDATED BALANCE SHEET - 31 MARCH 2000

	Notes	2000		1999	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		78,278		107,003
Investments	9		390,938		193,535
Investment in associate			-		151,046
Goodwill			-		300,691
			469,216		752,275
CURRENT ASSETS					
Debtors	10	735,741		975,604	
Cash at bank and in hand		1,338,959		609,724	
		2,074,700		1,585,328	
CREDITORS					
amounts falling due within one year	11	(440,697)		(493,951)	
		(440,697)		(493,951)	
NET CURRENT ASSETS			1,634,003		1,091,377
TOTAL ASSETS LESS CURRENT LIABILITIES			2,103,219		1,843,652
CREDITORS					
amounts falling due after one year	11		-		(31,078)
TOTAL ASSETS LESS TOTAL LIABILITIES			2,103,219		1,812,574
CAPITAL AND RESERVES					
Called up share capital	12		58,678		58,678
Share premium account	13		305,105		305,102
Revaluation reserves	13		59,451		7,450
Profit and loss account	13		1,679,985		1,441,344
SHAREHOLDERS' FUNDS	13		2,103,219		1,812,574

Approved by the Board on 14 June 2000

N P Record

The notes on pages 9 to 18 form part of these accounts.

N P RECORD PLC

COMPANY BALANCE SHEET - 31 MARCH 2000

	Notes	2000		1999	
		£	£	£	£
FIXED ASSETS					
Investments	9		412,295		669,693
CURRENT ASSETS					
Debtors	10	6,266		127,490	
Cash at bank and in hand		710,454		142,783	
		716,720		270,273	
CREDITORS					
amounts falling due within one year	11	(37,101)		(10,101)	
NET CURRENT ASSETS			679,619		260,172
TOTAL ASSETS LESS CURRENT LIABILITIES			1,091,914		929,865
CAPITAL AND RESERVES					
Called up share capital	12		58,678		58,678
Share premium account	13		305,105		305,102
Revaluation reserves	13		59,451		7,450
Profit and loss account	13		668,680		558,635
SHAREHOLDERS' FUNDS	13		1,091,914		929,865

Approved by the Board on 14 June 2000

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N P Record

The notes on pages 9 to 18 form part of these accounts.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2000

	2000		1999	
	£	£	£	£
CASH INFLOW FROM OPERATING ACTIVITIES (Note A)		380,381		681,697
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	45,207		45,101	
Interest paid	(166)		(268)	
		45,041		44,833
TAXATION				
Corporation tax paid		(100,432)		(22,386)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT				
Purchase of tangible fixed assets	(31,864)		(100,229)	
Sale of tangible fixed assets	-		28,098	
		(31,864)		(72,131)
ACQUISITIONS AND DISPOSALS				
Sale/investment in associated undertaking		435,830		(394,663)
CASH INFLOW BEFORE FINANCING		728,956		237,350
FINANCING				
Issue of ordinary share capital (Note C)	3		3,501	
CASH INFLOW FROM FINANCING		3		3,501
INCREASE IN CASH (Note B)		728,959		240,851

The notes on page 9 to 18 form part of these accounts.

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

A CASHFLOW FROM OPERATING ACTIVITIES

	2000 £	1999 £
Operating profit	146,078	627,390
Depreciation	60,589	67,862
Profit on sale of fixed assets	-	(12,613)
Increase in debtors	225,088	51,927
Increase in creditors	(51,374)	(52,869)
Cash inflow from operating activities	380,381	681,697

B ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 1999 £	Cash Flow £	Exchange movement £	At 31 March 2000 £
Cash at bank and in hand	609,724	728,959	276	1,338,959
Overdrafts	-	-		-
	609,724	728,959	276	1,338,959

C RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET FUNDS

	2000 £	1999 £
Increase in cash in the year before financing	728,956	237,350
Cash inflow from issue of shares	3	3,501
Change in net funds resulting from cash flows	728,959	240,851
Effect of foreign exchange changes	276	1,063
Movement in net funds in the year	729,235	241,914
Net funds brought forward at 1 April	609,724	367,810
Net funds carried forward at 31 March	1,338,959	609,724

NOTES TO THE ACCOUNTS - 31 MARCH 2000

1 ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention. The principal accounting policies which the directors have adopted are stated below. The policies have remained unchanged from the previous year.

(b) Basis of consolidation

The consolidated accounts incorporate those of N P Record plc and all its subsidiary undertakings.

(c) Turnover

Turnover represents the invoiced value of currency overlay, fund management and consultancy services rendered (excluding value added tax), and the net profit or loss from currency transactions. Profits and losses on currency transactions are accounted for on the maturity of each contract; provision is made for any foreseeable losses arising from open contracts.

(d) Depreciation

Tangible fixed assets are stated at cost and are depreciated on a straight line basis from the date of purchase over their estimated useful economic lives as follows:

Computer equipment	-	2 years
Fixtures & fittings	-	4 years
Leasehold premises	-	period from acquisition to next rent review

(e) Accounting for acquisitions

Newly acquired subsidiaries are consolidated from the effective date of their acquisition. Undertakings other than subsidiary undertakings in which the group has an investment of at least 20% of the shares and over which it exerts significant influence are treated as associates.

The group's share of the profits of associates are included in the group profit and loss account and statement of total recognised gains and losses. Where the accounting periods covered by the financial statements are not co-terminous with that of the group, the share of profits of the associates has been arrived at from the last audited financial statements and unaudited management accounts to the group's balance sheet date. The group balance sheet includes the investment in the Group's share of net assets and the goodwill arising on the acquisition in so far as it has not already been amortised. The company balance sheet shows the investment in the associates at cost less amounts written off.

(f) Foreign currencies

The profits and losses of foreign subsidiaries are translated into sterling at the average rates prevailing during the year, and the assets and liabilities are translated into sterling at the rates ruling at the year end. The resulting exchange differences are dealt with through reserves. Other assets and liabilities expressed in foreign currencies are translated into sterling at the rates ruling at the year end and exchange differences arising thereon are dealt with through the profit and loss account.

(g) Pensions

The charge against profits is the amount of contributions payable to the pension scheme in respect of the accounting period.

(h) Deferred tax

Deferred tax is provided for using the liability method in respect of timing differences between profits as computed for tax purposes and profits as stated in the accounts to the extent that it is probable that, in the opinion of the directors, a liability will be payable in the foreseeable future.

(i) Investments

Trade investments where there is a readily ascertainable market, are stated at market value. Unrealised losses on revaluation are taken to the profit and loss account and unrealised gains are taken to the revaluation reserve.

Investments in participating interests are stated at cost, less any provision for a permanent diminution in value.

(j) Leasing

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

(k) Research and development

Research and development costs are charged to the profit and loss account as incurred.

(l) Goodwill

Purchased goodwill is capitalised and is amortised on a straight line basis over its useful economic life of 20 years. Negative goodwill is written back to the profit and loss account over 20 years.

As a matter of accounting policy, purchased goodwill first accounted for in accounting periods ending before 23 December 1998, the implementation date of Financial Reporting Standard 10, was eliminated by immediate write off on acquisition against reserves. Such goodwill will be charged or credited to the profit and loss account on the subsequent disposal of the business to which it relates.

2 SEGMENTAL ANALYSIS

(a) Classes of business

The Group activities have been analysed between the two major trading activities, currency overlay management plus other group activities which includes consultancy.

	2000	1999
	£	£
Turnover		
Currency overlay management	2,571,261	2,982,245
Other group activities	201,386	199,929
	2,772,647	3,182,174
Operating Profit		
Currency overlay management	136,756	588,347
Other group activities	9,322	39,044
	146,078	627,391
Net Assets		
Currency overlay management	1,909,129	1,671,012
Other group activities	194,090	141,562
	2,103,219	1,812,574

NOTES TO THE ACCOUNTS - 31 MARCH 1999 (CONTINUED)

2 SEGMENTAL ANALYSIS (CONTINUED)

(b) Geographical segments

The geographical analysis of turnover is based on destination. All turnover originated in the UK.

	2000	1999
	£	£
Currency overlay management		
US	1,985,651	2,180,627
European	585,610	801,618
	2,571,261	2,982,245
Other group activities		
Bermuda	44,857	127,677
Other	156,529	72,252
	201,386	199,929

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

The profit on ordinary activities before tax is stated after charging/(crediting) :

		2000	1999
		£	£
Depreciation		60,589	67,862
Auditors' remuneration			
Audit		17,254	15,000
Other services		3,450	5,500
Interest payable on bank and other borrowings repayable within 5 years		166	268
Operating lease rentals - payable	- Windsor premises	86,000	86,000
	- London premises	-	8,000
	- US premises	-	16,680
	- receivable	-	(4,000)
(Profit) on sale of fixed assets		-	(12,613)
Exchange (gains) from hedging activities		(51,442)	(10,119)

4 EMPLOYEES

The average number of people employed by the Group including directors during the year was 22 (1999: 24).

The costs in respect of their employment were:

	2000	1999
	£	£
Wages and salaries	1,035,463	981,564
Social security costs	117,650	97,346
Pension costs	85,359	82,682
	1,238,472	1,161,592

The Group operates an Inland Revenue approved Profit Related Pay scheme (PRP) and a discretionary bonus scheme which rewards outstanding effort and achievement.

NOTES TO THE ACCOUNTS - 31 MARCH 2000 (CONTINUED)

5 DIRECTORS' EMOLUMENTS

	2000	1999
	£	£
Aggregate emoluments of the directors		
Emoluments (excluding pension contribution)	699,809	381,295
Pension contribution	41,037	44,346
Emoluments of the highest paid director		
Emoluments (excluding pension contribution)	304,754	143,117
Pension contribution	-	16,555

During the year, 3 directors of the Company (1999: 3) participated in the Company's self-administered money purchase pension scheme.

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000	1999
	£	£
Group UK corporation tax at 20% (1999 - 21%)	75,008	108,244
Adjustments in respect of prior years	7,171	(49)
Overseas taxation	1,846	8,825
Double taxation relief	(1,846)	(8,825)
	82,179	108,195

At the year end the Group had potential deferred tax assets, which have not been recognised in the accounts, of £21,000 (1999: £23,000) in respect of deferred capital allowances.

In addition the Group has carried forward tax losses of £nil (1999: £62,000).

7 DIVIDENDS

No dividends were paid or proposed during the year (1999: nil).

NOTES TO THE ACCOUNTS - 31 MARCH 2000 (CONTINUED)

8 GROUP TANGIBLE FIXED ASSETS

	Leasehold premises	Computer equipment	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 April 1999	46,413	240,198	222,048	508,659
Additions	-	19,730	12,134	31,864
Disposals	-	(19,912)	-	(19,912)
Asset reclassification	-	(8,206)	8,206	-
At 31 March 2000	46,413	231,810	242,388	520,611
Depreciation				
At 1 April 1999	46,413	183,648	171,595	401,656
Charge for the year	-	40,801	19,788	60,589
Disposals	-	(19,912)	-	(19,912)
At 31 March 2000	46,413	204,537	191,383	442,333
Net book amounts				
At 31 March 2000	-	27,273	51,005	78,278
At 31 March 1999	-	56,550	50,453	107,003

NOTE The amount shown for leasehold premises represents the premium cost of acquiring the leasehold on the premises at 32 Peascod Street, Windsor, Berkshire.

9 INVESTMENTS

Group	Associates	Trade investments	Other participating interests	Total
	£	£	£	£
Balance at 1 April 1999	451,737	176,756	16,779	645,272
Capitalisation of loan	-	125,001	-	125,001
Reclassifications	(451,737)	451,737	-	-
Disposals	-	(431,474)	-	(431,474)
Increase in market value	-	52,001	-	52,001
Exchange difference	-	-	138	138
Balance at 31 March 2000	-	374,021	16,917	390,938

Other participating interests include investments in the founder shares of Thames Currency Fund Limited and Thames Currency Fund II Limited, which are incorporated in Bermuda. Thames Currency Fund II Limited stopped trading during 1999 and the company is in the process of being wound up.

The listed trade investments represent participating shares in Thames Currency Fund Limited, stated at market value of £186,521 (the original cost of the investment was £169,307) and the market value of the remaining 125,000 ordinary shares held in Integrity Treasury Solutions plc (£187,500 at 31 March 2000).

NOTES TO THE ACCOUNTS - 31 MARCH 2000 (CONTINUED)

9 INVESTMENTS (CONTINUED)

Company

	2000	1999
Investment in subsidiaries	£	£
Record Treasury Management Limited	10,000	10,000
Record Treasury Management (US) Limited	100	100
Record Portfolio Management Limited	10,000	10,000
Record Group Services Limited	310,000	310,000
Less investment in Record Group Services Ltd written off	(310,000)	(310,000)
Record Fund Management Limited	360	360
Record Fund Management (Bermuda) Limited	17,813	17,813
N P Record Trustees Limited	1	1
	38,274	38,274
Other investments		
Thames Currency Fund Limited	186,521	176,755
Integrity Treasury Solutions plc	187,500	454,664
	374,021	631,419
	412,295	669,693

Particulars of subsidiary undertakings

Name	Nature of business
Record Treasury Management Limited	Currency overlay/fund management and consultancy
Record Group Services Limited	Management services to other Group undertakings
Record Treasury Management (US) Limited	Sales and marketing service in the United States to Record Treasury Management Limited
Record Fund Management Limited	No transactions during the year
Record Portfolio Management Limited	Provider of investment advice
Record Fund Management (Bermuda) Limited	To act as manager to Thames Currency Fund Limited and Thames Currency Fund II Limited
N P Record Trustees Limited	Trust Company

* The Group's interest in the equity capital of subsidiary undertakings is 100% of the ordinary share capital in all cases.

** All of the above are incorporated in Great Britain other than Record Fund Management (Bermuda) Limited which is incorporated in Bermuda.

Reconciliation of movements on investments during the year

	2000	1999
	£	£
Balance at 1 April 1999	669,693	329,643
Additional investment	125,000	394,664
Sale of investment	(434,399)	-
Increase/(Decrease) in market value of trade investment	52,001	(54,614)
Balance at 31 March 2000	412,295	669,693

NOTES TO THE ACCOUNTS - 31 MARCH 2000 (CONTINUED)

10 DEBTORS

	Group		Company	
	2000	**1999**	**2000**	**1999**
	£	£	£	£
Trade debtors	599,040	711,466	-	-
Loans to associated undertaking	-	127,490	-	127,490
Amounts owed by an associated undertaking	-	17,808	-	-
Other debtors	126	10,876	6,266	-
Prepayments	136,575	107,964	-	-
	735,741	975,604	6,266	127,490

11 CREDITORS

Amounts falling due within one year

	Group		Company	
	2000	**1999**	**2000**	**1999**
	£	£	£	£
Trade creditors	96,063	19,610	1	1
Amounts owed to subsidiary undertaking	-	-	100	100
Corporation tax	72,559	90,812	37,000	10,000
Other tax and social security	42,191	31,430	-	-
Accruals and deferred income	229,884	227,791	-	-
Other creditors	-	124,308	-	-
	440,697	493,951	37,101	10,101

Amounts falling due after one year

	Group		Company	
	2000	**1999**	**2000**	**1999**
	£	£	£	£
Other creditors	-	31,078	-	-

NOTES TO THE ACCOUNTS - 31 MARCH 2000(CONTINUED)

12 CALLED UP SHARE CAPITAL

	2000	1999
	£	£
Authorised		
1,000,000 ordinary shares of 10p each	100,000	100,000
Allotted and Fully Paid		
586,785 ordinary shares of 10p each	58,678	58,678

Share Options	2000 Number	1999 Number
Opening	41,607	47,902
Granted during year	23,472	4,000
Exercised, lapsed or surrendered during year	-	(10,295)
Closing	65,079	41,607

New approved options were granted during the year over 10,000 ordinary shares in N P Record plc exercisable at £6.00 per share, between November 2002 and 2009. No approved share options lapsed during the year. Unapproved options over 13,472 ordinary shares exercisable at £6.00 per share between November 2002 – 2006 were also granted during the year.

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	2000 Shareholders' funds	1999 Shareholders' funds
	£	£	£	£	£	£
Opening	58,678	305,102	7,450	1,441,344	1,812,574	1,301,778
Retained profit for the year	-	-	-	235,369	235,369	561,342
Revaluation of trade investments	-	-	52,001	-	52,001	(54,613)
Exchange	-	-	-	3,272	3,272	567
Issue of shares	-	3	-	-	3	3,500
Net addition to shareholders' funds	-	3	52,001	238,641	290,645	510,796
Closing	58,678	305,105	59,451	1,679,985	2,103,219	1,812,574

NOTES TO THE ACCOUNTS - 31 MARCH 2000 (CONTINUED)

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS (CONTINUED)

Company

					2000	1999
	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Shareholders' funds	Shareholders' Funds
	£	£	£	£	£	£
Opening	58,678	305,102	7,450	558,635	929,865	446,704
Retained profit for the year	-	-	-	110,045	110,045	534,274
Revaluation of trade investments	-	-	52,001	-	52,001	(54,613)
Issue of shares	-	3	-	-	3	3,500
Net addition to shareholders' funds	-	3	52,001	110,045	162,049	483,161
Closing	58,678	305,105	59,451	668,680	1,091,914	929,865

The Company has taken advantage of s.230(1)(b) of the Companies Act 1985 and a separate profit and loss account for the Company itself is not therefore presented. The amount of the consolidated profit for the year attributable to shareholders' includes a profit of £110,045 (1999: profit £534,274) which is dealt with in the accounts of the holding company.

14 PENSIONS

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £85,359 (1999: £82,682).

15 CONTINGENT LIABILITIES

(i) The Company, together with its subsidiary undertakings, has given a cross guarantee in respect of certain indebtedness of the Group. The amount of such indebtedness at 31 March 2000 was £nil (1999: £nil).

(ii) At 31 March 2000, a subsidiary undertaking had outstanding contracts with a principal value of £1.9 million (1999: £1.9 million) for the sale and purchase of foreign currencies in the normal course of business.

(iv) The Company has confirmed that it will make additional amounts available to Record Group Services Limited, by way of a loan if this is necessary.

16 OPERATING LEASE COMMITMENTS

The Group has a commitment of £86,000 per annum (1999: £86,000) in respect of the lease on the premises at 32 Peascod Street, Windsor, Berkshire which expires in more than 5 years.