



The directors present the balance sheet and notes of the Company for the period ended 30 September 2007

COMPANY BALANCE SHEET FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2007

	Notes	6 months ended 30 September 2007 (H1-08)		12 months ended 31 March 2007 (FY-07)	
		£	£	£	£
FIXED ASSETS					
Investments	2		30,361		30,361
CURRENT ASSETS					
Debtors	3		-	6,524	
Cash at bank and in hand		2,110,404		1,837,664	
		<u>2,110,404</u>		<u>1,844,188</u>	
CREDITORS					
Amounts falling due within 1 year	4	(28,181)		(19,855)	
NET CURRENT ASSETS			<u>2,082,223</u>		<u>1,824,333</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,112,584</u>		<u>1,854,694</u>
CAPITAL AND RESERVES					
Called up share capital	5		55,345		54,955
Share premium account			1,809,431		1,636,530
Capital redemption reserve	6		20,207		20,207
Profit and loss account			<u>227,601</u>		<u>143,002</u>
SHAREHOLDERS' FUNDS	7		<u>2,112,584</u>		<u>1,854,694</u>

Approved by the Board on 15 November 2007


M D Timmins

The notes on pages 2 to 7 form part of this statement

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NOTES TO THE BALANCE SHEET FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2007

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) Turnover

Management fees are accrued on a daily basis based upon the Funds under management. Should performance fees be applicable then these are receivable based on the performance of each relevant Fund as at the quarter end date. Such fees are recognised by the group on a quarterly basis subject to termination mid-quarter, upon which performance fees may be receivable and calculated to the date of termination.

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.

(c) 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 and fittings - 4 years
- Leasehold premises - period from acquisition to next rent review

(d) Foreign Currencies

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.

(e) Pensions (Defined Contribution Scheme)

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

(f) Deferred Tax

Deferred tax is provided for on all material timing differences where the transactions or events that give the Group an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantially enacted by the balance sheet date.

(g) Investments

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



NOTES TO THE BALANCE SHEET FOR THE 6 MONTHS ENDED 30 SEPTEMBER (CONTINUED)

(h) Leasing

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

(i) Research and Development

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

(j) Share-based incentives

In accordance with Financial Reporting Standard 20 'Share-based Payment' (FRS20), the fair value of equity-settled share-based payments to employees is determined at the date of grant and is expensed on a straight-line basis over the vesting period based on the Group's estimate of shares or options that will eventually vest. In the case of options granted, fair value is measured using the Black-Scholes pricing model. Further details are set out in notes 4 and 13 to the accounts.

Restatement of the prior period is not required as the outstanding options vested prior to the effective date of FRS 20. There is no effect on the profit and loss account in respect of the current year on the grounds of materiality.

2 INVESTMENTS

	H1-08	FY-07
	£	£
Investment in subsidiaries		
Record Currency Management Limited	10,000	10,000
Record Portfolio Management Limited	10,000	10,000
Record Group Services Limited	10,000	10,000
Record Fund Management Limited	360	360
N P Record Trustees Limited	1	1
	30,361	30,361

Particulars of subsidiary undertakings

Name	Nature of business
Record Currency Management Limited	Currency overlay and investment management services
Record Group Services Limited	Management services to other Group undertakings
Record Portfolio Management Limited	Provider of investment advice – deregulated from January 2007
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.

FRS 3 requires that the profit/loss on disposal of an investment should be calculated as the difference between the net sale proceeds and the net carrying amount. Revaluations are adjusted directly through the profit and loss reserve and not shown on the face of the profit and loss statement.



NOTES TO THE BALANCE SHEET FOR THE 6 MONTHS ENDED 30 SEPTEMBER (CONTINUED)

3 DEBTORS

	H1-08	FY-07
	£	£
Trade debtors	-	-
Prepayments and accrued income	-	6,524
	-	6,524

4 CREDITORS

Amounts falling due within one year

	H1-08	FY-07
	£	£
Amounts owed to subsidiary undertaking	10,101	10,101
Corporation tax	18,080	9,754
	28,181	19,855

5 CALLED UP SHARE CAPITAL

	H1-08	FY-07
	£	£
Authorised		
Ordinary shares of 10p each	100,000	70,000
'A' ordinary shares of 10p each	-	30,000
	100,000	100,000
Allotted and Fully Paid		
Ordinary shares of 10p each	55,345	40,297
'A' ordinary shares of 10p each	-	14,658
	55,345	54,955

The two classes of share ranked pari passu in all respects other than those of the 'A' Ordinary shares were subject to a mandatory transfer upon the termination of their service contract or employment

On the 23 August 2007 an extraordinary resolution was passed, with the effect that all issued and unissued 'A' ordinary shares were converted to ordinary shares



NOTES TO THE BALANCE SHEET FOR THE 6 MONTHS ENDED 30 SEPTEMBER (CONTINUED)

6 CAPITAL REDEMPTION RESERVE

The Group has bought in a total of 202,072 ordinary shares for cancellation. The buy-ins occurred in 5 tranches:

March 2001	66,553 shares
April 2004	36,357 shares
February 2005	50,000 shares
October 2005	24,581 shares
December 2005	24,581 shares

The cost of the buy-ins was taken directly to retained earnings. The nominal value of the shares together with the related share premium was taken to a capital redemption reserve.

7 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	H1-08 Shareholders' funds	FY-07 Shareholders' funds
	£	£	£	£	£	£
Opening	54,955	1,636,530	20,207	143,002	1,854,694	574,067
Profit after tax for the financial period/year	-	-	-	35,489	35,489	41,586
Dividends received	-	-	-	4,200,000	4,200,000	5,013,051
Dividends paid	-	-	-	(4,150,890)	(4,150,890)	(4,915,600)
Issue of shares	390	172,901	-	-	173,291	1,141,590
Net increase/(reduction) in shareholders' funds	390	172,901	-	84,599	257,890	1,280,627
Closing	55,345	1,809,431	20,207	227,601	2,112,584	1,854,694



NOTES TO THE BALANCE SHEET FOR THE 6 MONTHS ENDED 30 SEPTEMBER (CONTINUED)

8 SHARE OPTIONS

At 30 September 2007, no options over any shares were outstanding under the Employees Share Option Plans. Details of share options awarded to employees including executive directors are set out below.

Date of Grant	At 1 April 2007	Granted	Exercised or vested	At 30 Sept 2007	Exercise/ Share Price (£)	Exercise/ Vesting dates From To	
EMI DSP Options							
31-05-05	250	-	(250)	-	1.00 total	31-05-08*	30-05-15
EMI MSP Options							
08-12-05	2,350	-	(2,350)	-	11.00	08-12-05	07-12-09
25-01-07	1,552	-	(1,552)	-	95.00	25-01-07	24-01-11
	3,902	-	(3,902)	-			
Total Options	4,152	-	(4,152)	-			
Weighted average exercise price of options	£41.74	-	£41.74	-			

* Pursuant to clause 4.4 of the DSP EMI option agreement, on 3 August 2007 notice was given by the directors of NP Record Trustees Limited that the option holder may exercise the option within 28 days of receipt of the notice. The option was exercised in full on 9 August 2007.

The directors had no interests in the combined share option schemes at the beginning, during, nor at the end of the interim period.



NOTES TO THE BALANCE SHEET FOR THE 6 MONTHS ENDED 30 SEPTEMBER (CONTINUED)

9 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 30 September 2007 was £nil (31 March 2007 £nil)
- (ii) At 30 September 2007, a subsidiary undertaking had outstanding contracts with a principal value of £2.2 million (31 March 2007 £1.5 million) for the sale and purchase of foreign currencies in the normal course of business

10 OPERATING LEASE COMMITMENTS

On 25 January 2006, the Group signed a lease on new premises at Morgan House, Madeira Walk, Windsor, Berkshire. This lease expires on 19 June 2016, although may be determined five years from commencement (i.e. 24 January 2011) at the option of the tenant. The annual commitment under this lease is £229,710 (2006 £229,710). The Group has retained its lease on the premises at 32 Peascod Street, Windsor, Berkshire which has a commitment of £86,000 per annum (2006 £86,000). Those premises have been sublet at the same rate from May 2006 and the lease expires in December 2011.

At 30 September 2007 the group had total commitments under non-cancellable operating leases relating to Land & Buildings as set out below

	H1-08	FY-07
	£	£
Operating leases which expire		
within one year	315,710	296,568
in the second to fifth years	815,490	1,109,700
over five years	-	21,500
	1,131,200	1,427,768

The total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet dates

	H1-08	FY-07
	£	£
Within one year	86,000	86,000
In the second and fifth years inclusive	279,500	344,000
After five years	-	-
	365,500	451,500

11 ULTIMATE CONTROLLING PARTIES

As at 30 September 2007 the company had no ultimate controlling parties (31 March 2007 nil)