

**CLOSE BANK GUERNSEY
LIMITED**

Report and Financial Statements

31 July 2009

CLOSE BANK GUERNSEY LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7
Statement of financial resources	28

CLOSE BANK GUERNSEY LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

OFFICERS AND PROFESSIONAL ADVISERS

NON EXECUTIVE DIRECTOR

C N Fish (appointed 9 December 2008)

DIRECTORS

A M Henton
P O'Shea
L Steyn
R D Hague-Holmes

SECRETARY AND RESIDENT AGENT

Close Trustees Guernsey Limited

REGISTERED OFFICE

Trafalgar Court
Admiral Park
St. Peter Port
Guernsey GY1 2JA
Channel Islands

LEGAL ADVISERS

Carey Olsen
Les Banques
St. Peter Port
Guernsey
GY1 4BZ
Channel Islands

AUDITORS

Deloitte LLP
Chartered Accountants
St. Peter Port,
Guernsey GY1 3HW
Channel Islands

CLOSE BANK GUERNSEY LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 July 2009.

PRINCIPAL ACTIVITIES

The principal activities of the company at 31 July 2009 cover the full range of private banking services including:

- the provision of multi-currency deposit accounts;
- the provision of fiduciary account facilities;
- the provision of foreign exchange and transmission services;
- the granting of short-term loans; and
- the provision of debit cards.

RESULTS AND DIVIDENDS

The results for the years are set out in the profit and loss account on page 5. The directors have paid an interim dividend of £2.5 million for the year ended 31 July 2009 (2008 - £5 million). They do not propose the payment of a final dividend (2008 - £nil).

DIRECTORS

The directors of the company, who served throughout the year, are listed on page 1.

SECRETARY AND RESIDENT AGENT

The secretary of the company which served throughout the year was Close Trustees Guernsey Limited. Close Trustees Guernsey Limited was appointed as Resident Agent on 28 January 2009.

GOING CONCERN

The principal risks and uncertainties the company currently faces are described in note 23 to the financial statements and include the company's objectives, policies and procedures for managing those risks.

The company's performance has been resilient in the difficult trading conditions currently being experienced and in previous downturns. The directors further believe the company has a sound funding and liquidity position and adequate capital resources. As a consequence, the directors believe the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries with management and review of cash flow forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

AUDITORS

On 1 December 2008 Deloitte & Touche LLP changed its name to Deloitte LLP. A resolution for the reappointment of Deloitte LLP will be provided at the next annual general meeting.

Each of the persons who is a director at the date of approval of the financial statements confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors is unaware; and
- (2) the director has taken all steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 249 of The Companies (Guernsey) Law, 2008.

Approved by the Board of Directors
and signed on behalf of the Board

ANDREW HENTON

PHILIP O'SHEA

15th September 2009

CLOSE BANK GUERNSEY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies (Guernsey) Law, 2008 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 as at the end of the financial year and of the profit or loss of the company for that period, and are in accordance with applicable laws. 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 all applicable accounting standards have been followed; and
- 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 are sufficient to show and explain the company's transactions and are such as to disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008, The Banking Supervision (Bailiwick of Guernsey) Law, 1994 and The Protection of Investors (Bailiwick of Guernsey) Law, 1987. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Furthermore, the directors are responsible for ensuring that the company has met the conditions required under Rule 4.02 of the Collective Investment Schemes (Designated Persons) Rules, 1988.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLOSE BANK GUERNSEY LIMITED

We have audited the financial statements of Close Bank Guernsey Limited for the year ended 31 July 2009 which comprise the profit and loss account, balance sheet and the related notes 1 to 29. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law, 2008. 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.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable Guernsey law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant Guernsey legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with the relevant accounting framework, and are properly prepared in accordance with The Companies (Guernsey) Law, 2008, The Banking Supervision (Bailiwick of Guernsey) Law, 1994 and The Protection of Investors (Bailiwick of Guernsey) Law, 1987. We also report to you if, in our opinion, the company has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2009 and of its profit for the year then ended and have been properly prepared in accordance with The Companies (Guernsey) Law, 2008, The Banking Supervision (Bailiwick of Guernsey) Law, 1994 and The Protection of Investors (Bailiwick of Guernsey) Law, 1987.

Furthermore, we have examined the Statement of Financial Resources set out on page 28 and in our opinion the financial resources requirement specified in Rule 4.02 of the Collective Investment Schemes (Designated Persons) Rules 1988 has been satisfied.

DELOITTE LLP

Deloitte LLP

Chartered Accountants
Guernsey, Channel Islands

15th September 2009

CLOSE BANK GUERNSEY LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 31 July 2009

	Note	2009 £'000	2008 £'000
Interest income	1	10,532	21,041
Interest expense	1	6,278	15,870
Net interest income		<u>4,254</u>	<u>5,171</u>
Fees and commissions	1	1,931	1,341
Total operating income		<u>6,185</u>	<u>6,512</u>
Administrative expenses	2	3,920	4,260
Depreciation	9	694	645
Total operating expenses		<u>4,614</u>	<u>4,905</u>
Profit for the financial year	4	1,571	1,607
Taxation on profit on ordinary activities	5	157	75
Profit for the financial year	18	<u><u>1,414</u></u>	<u><u>1,532</u></u>

The above results relate to the continuing operations of the company.

The company has no recognised gains or losses other than the profit for the current and previous financial years.

The notes on pages 7 to 27 form part of these financial statements.

CLOSE BANK GUERNSEY LIMITED

BALANCE SHEET

31 July 2009

	Note	2009 £'000	2008 £'000
ASSETS			
Investments		38	67
Loans and advances to banks	6	188,479	191,408
Loans and advances to customers	7	6,014	5,549
Certificates of deposit classified as loans and receivables	8	147,303	218,290
Floating rate notes held to maturity	8	15,000	15,000
Tangible fixed assets	9	954	1,094
Other assets	10	9,126	5,535
Prepayments and accrued income	11	3,262	2,140
Total assets		<u>370,176</u>	<u>439,083</u>
LIABILITIES			
Deposits by banks	12	8,048	14,013
Customer accounts	13	342,417	403,594
Other liabilities	14	1,358	1,737
Accruals and deferred income	15	1,613	1,905
Deferred taxation	16	24	32
		<u>353,460</u>	<u>421,281</u>
SHAREHOLDERS' FUNDS			
Called up share capital	17	1,000	1,000
Retained earnings	18	15,716	16,802
		<u>16,716</u>	<u>17,802</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS			
	19	<u>16,716</u>	<u>17,802</u>
TOTAL LIABILITIES AND EQUITY SHAREHOLDERS' FUNDS			
		<u>370,176</u>	<u>439,083</u>
MEMORANDUM ITEMS			
Contingent liabilities - guarantees	20	1,091	1,601
Commitments - other	21	431	1,073

These financial statements on pages 5 to 27 were approved by the Board of Directors on 15th September 2009 and are signed on its behalf by:-

ANDREW HENTON

PHILIP O'SHEA

The notes on pages 7 to 27 form part of these financial statements.

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified for the fair valuation of derivatives and in accordance with United Kingdom accounting standards, The Companies (Guernsey) Law, 2008, The Banking Supervision (Bailiwick of Guernsey) Law, 1994 and The Protection of Investors (Bailiwick of Guernsey) Law, 1987.

Going concern

The company's business activities are set out in the Directors Report.

The principal risks and uncertainties the company currently faces are described in note 23 to the financial statements and includes the company's objectives, policies and procedures for managing those risks.

The company's performance has been resilient in the difficult trading conditions currently being experienced and in previous downturns. The directors further believe the company has a sound funding and liquidity position and adequate capital resources. As a consequence, the directors believe the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries with management and review of cash flow forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Income and expenditure

Income and expenditure are accrued on a day to day basis. Operating lease income and expense is recognised on a straight line basis over the period of the lease. All income and expenditure relates to continuing operations.

Loans and advances

Loans and advances are stated net of provisions for doubtful debts which are made on the basis of regular review by management.

Fixed assets

Tangible fixed assets are initially recorded at cost.

Depreciation

The provision for depreciation on fixed assets is calculated to write off the cost of fixed assets over their estimated useful lives by equal annual instalments as follows:

Computer equipment and software	2 to 5 years
Furniture, equipment and leasehold improvements	5 to 7 years
Motor vehicles	4 years

The estimated useful lives of certain software assets is 2 to 3 years.

Foreign currencies

Foreign currency balances are translated into sterling at the rates of exchange ruling at the balance sheet date. Translation differences are taken to the profit and loss account. Foreign currency transactions during the period are translated at historic monthly rates. Forward foreign currency contracts are valued at the year end market rates applicable to their respective maturities and the resulting gains or losses are reflected in the profit and loss account for the year.

Taxation

Provision has been made for Guernsey taxation at the rate of 20% on taxable profits until 31 December 2007 and 10% on eligible taxable profits hereafter.

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

1. ACCOUNTING POLICIES (continued)

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Certificates of deposit classified as loans and receivables

Certificates of deposit are held for liquidity purposes and normally held to maturity. They are unlisted and due to mature within one year and are valued at amortised cost.

Floating rate notes held to maturity

Floating rate notes, held for investment purposes, are intended to be held to maturity and are stated at cost less provision for permanent diminution in value.

Pensions

Contributions within the defined contribution schemes are charged to the profit and loss account as they become payable, in accordance with the rules of the scheme.

Derivatives

The company's foreign currency exposure arises from providing services to customers. The company's policy is to hedge against these foreign currency exchange risks by engaging in spot and forward currency transactions, where appropriate. These instruments are classified as fair value through profit or loss and are carried on the balance sheet at fair value. Hedge accounting is not applied in these financial statements.

Bad and doubtful debts

Specific provisions are made against advances when, in the opinion of the directors, credit risks or economic factors make recovery doubtful. The aggregate provisions which are made during the year (less amounts released and recoveries of bad debts previously written off) are charges against operating profit. If the collection of interest is considered to be doubtful, it is suspended and excluded from the interest income in the profit and loss account. Bad debts are written off in part, or in whole, when a loss has been confirmed.

Related party transactions

The company is included in the consolidated accounts of Close Brothers Group plc and has taken advantage of the exemptions available under Financial Reporting Standard ("FRS") 8, Related Party Transactions, not to disclose certain related party transactions occurring within the group.

Cash flow statement

The company is a wholly-owned subsidiary of a parent undertaking incorporated in England and Wales. The company is not therefore required to present a cash flow statement.

Share-based payments

Close Brothers Group plc (the "Group"), the ultimate parent undertaking, has for many years operated long term incentive arrangements. The company has applied FRS 20 "Share-based Payments" to all grants of equity instruments under these share based incentive schemes after 7 November 2002.

The expense for share-based incentive schemes is measured by reference to the fair value of the shares or share options granted on the date of grant. Such fair values are determined using option pricing models which take into account the exercise price of the option, the current share price, the risk free interest rate, the expected volatility of the group's share price over the life of the option/award and other relevant factors. The fair value is expensed in the income statement on a straight line basis over the vesting period. Such fair values are determined at group level and an intercompany charge is made to the company on account of its share of the group share-based payment expense.

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

2. ADMINISTRATIVE EXPENSES

	2009	2008
	£'000	£'000
Staff costs:		
Wages and salaries	4,100	4,180
Social security cost	192	157
Other pension costs	270	251
Share-based awards	(37)	133
	<u>4,525</u>	<u>4,721</u>
Depreciation	694	645
Other administrative expenses	3,789	4,612
	<u>9,008</u>	<u>9,978</u>
Recharged to fellow subsidiaries	(4,394)	(5,073)
Disclosed as depreciation	(694)	(645)
Administrative expenses	<u>3,920</u>	<u>4,260</u>

Total expenditure allocated to fellow subsidiaries are based on the utilisation of services by these entities.

3. RELATED PARTIES

The following is a summary of income and expenses in respect of transactions with other group companies:

	2009	2008
	£'000	£'000
Interest income	3,874	5,318
Interest expense	(388)	(414)
Commission paid	(309)	(263)
	<u>3,177</u>	<u>4,641</u>

All intra-group loans and deposits are transacted at market rates.

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging:

	2009	2008
	£'000	£'000
Auditor's remuneration:		
Audit fees – current year	44	40
Audit fees – adjustment to prior year charge	(8)	20
Other fees	10	4
Operating lease – Buildings & Parking	1,253	982
	<u>1,309</u>	<u>1,046</u>

Substantially all income, profits and net assets are attributable to activities which are located in Guernsey and relate to private banking services.

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

The company has made full provision for tax, based on the tax rate applicable to the company, on its current year taxable profits.

The tax charge is made up as follows:

	2009	2008
	£'000	£'000
a) Current tax:		
Guernsey income tax	165	112
Adjustments in respect of previous periods	-	(17)
Total current tax charge (note 5b)	<u>165</u>	<u>95</u>
Deferred tax:		
Deferred tax	(8)	(20)
Current tax charge (note 5a)	<u>157</u>	<u>75</u>
b) Factors affecting current tax charge		
	2009	2008
	£'000	£'000
Profit on ordinary activities before taxation	<u>1,571</u>	<u>1,607</u>
Guernsey income tax at standard of 10%* (2008: 10%*)	157	161
Rate differences on current tax:		
Adjustment for 20% rate*	-	65
Adjustment for 0% rate*	(13)	(25)
Permanent timing difference:	-	(85)
Differences between depreciation and capital allowances	21	(4)
Tax over provided in previous years	-	(17)
Current tax charge (note 5a)	<u>165</u>	<u>95</u>

*With effect from 1 January 2008, the standard rate of income tax for Guernsey companies changed. From 1 January 2008, the company is taxed at a combination of the company standard rate (0%) and the company intermediate rate (10%) and/or the company higher rate. Therefore the tax charge included in the financial statements is based on these rates. The tax adjusted profits of the company have been apportioned so that the appropriate amount is taxed at 20% and the new rates as applicable. This has been disclosed as "Rate differences on current tax" in the reconciliation above.

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

6. LOANS AND ADVANCES TO BANKS

	2009	2008
	£'000	£'000
Balances with banks at call	36,964	12,104
Short term deposits with banks	151,515	179,304
	<u>188,479</u>	<u>191,408</u>
Balances with banks at call:		
Amount due from fellow subsidiary banks	26,302	4,972
Due from banks	10,662	7,132
Short term deposits with banks:		
Amount due from fellow subsidiary banks	126,784	99,692
Due from banks	24,731	79,612
	<u>188,479</u>	<u>191,408</u>
Repayable:		
On demand	70,946	119,418
Up to one month	46,442	61,418
From one month to three months	16,804	6,338
From three months to one year	37,088	4,234
From one year to two years	16,744	-
From two years to three years	455	-
	<u>188,479</u>	<u>191,408</u>

7. LOANS AND ADVANCES TO CUSTOMERS

	2009	2008
	£'000	£'000
Loans and advances to customers (net of provisions)	<u>6,014</u>	<u>5,549</u>
Repayable in less than one year:		
Secured	5,685	5,299
Unsecured	329	250
	<u>6,014</u>	<u>5,549</u>

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

8. DEBT SECURITIES

	2009 £'000	2008 £'000
Certificates of deposit classified as loans and receivables	147,303	218,290
Floating rate notes held to maturity	15,000	15,000
	<u>162,303</u>	<u>233,290</u>
Certificates of deposit by maturity date		
Up to one month	73,096	110,287
From one month to three months	39,048	108,003
From three months to one year	35,159	-
	<u>147,303</u>	<u>218,290</u>

The fair value of the floating rate notes was £14,397,013 (2008: £14,882,422) which is equal to their market value. The fair value of the certificates of deposit is not significantly different to their cost.

9. TANGIBLE FIXED ASSETS

	Computer equipment £'000	Furniture, equipment and leasehold improvements £'000	Motor vehicles £'000	Computer software £'000	Total £'000
Cost:					
At 1 August 2008	1,040	589	23	4,247	5,899
Additions	218	49	-	287	554
At 31 July 2009	<u>1,258</u>	<u>638</u>	<u>23</u>	<u>4,534</u>	<u>6,453</u>
Depreciation:					
At 1 August 2008	671	482	16	3,636	4,805
Charge for the year	239	74	4	377	694
At 31 July 2009	<u>910</u>	<u>556</u>	<u>20</u>	<u>4,013</u>	<u>5,499</u>
Net book value at 31 July 2009	<u>348</u>	<u>82</u>	<u>3</u>	<u>521</u>	<u>954</u>
Net book value at 31 July 2008	<u>369</u>	<u>107</u>	<u>7</u>	<u>611</u>	<u>1,094</u>

10. OTHER ASSETS

	2009 £'000	2008 £'000
Amounts due from fellow subsidiaries	9,031	5,284
Sundry debtors	95	251
	<u>9,126</u>	<u>5,535</u>

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

11. PREPAYMENTS AND ACCRUED INCOME

	2009	2008
	£'000	£'000
Accrued interest	412	976
Amounts due from fellow subsidiaries	1,171	189
Other	1,006	420
Unrealised gain on derivatives	673	555
	<u>3,262</u>	<u>2,140</u>

12. DEPOSITS BY BANKS

	2009	2008
	£'000	£'000
Amounts due to fellow subsidiary banks	3,685	5,622
Current accounts	314	-
Deposit accounts	4,049	8,391
	<u>8,048</u>	<u>14,013</u>
Repayable:		
On demand	4,356	2,268
Within one month	1,000	8,688
Between three months and one year	2,111	3,057
Between one year and two years	581	-
	<u>8,048</u>	<u>14,013</u>

13. CUSTOMER ACCOUNTS

	2009	2008
	£'000	£'000
Amounts due to fellow subsidiaries	11,882	12,958
Current accounts	3,493	5,129
Deposit accounts	327,042	385,507
	<u>342,417</u>	<u>403,594</u>
Repayable:		
On demand	218,462	206,008
Within one month	58,339	168,729
Within three months	19,832	24,308
Between three months and one year	29,214	4,549
Between one year and two years	16,125	-
Between two years and three years	445	-
	<u>342,417</u>	<u>403,594</u>

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

14. OTHER LIABILITIES

	2009	2008
	£'000	£'000
Current income tax	107	33
Unrealised loss on derivatives	591	250
Other liabilities	650	1,435
Amounts due to fellow subsidiaries	10	19
	<u>1,358</u>	<u>1,737</u>

15. ACCRUALS AND DEFERRED INCOME

	2009	2008
	£'000	£'000
Amounts due to fellow subsidiaries	39	140
Accrued interest	610	835
Other accruals	964	930
	<u>1,613</u>	<u>1,905</u>

16. DEFERRED TAXATION

The movements in deferred taxation during the current year are as follows:

	2009	2008
	£'000	£'000
At 1 August	32	52
Deferred tax charge in profit and loss account (note 5a)	(8)	(20)
At 31 July	<u>24</u>	<u>32</u>

	2009	2008
	£'000	£'000
Short term timing differences	<u>24</u>	<u>32</u>

Deferred tax in the financial statements is measured at the actual tax rates that are expected to apply to the income in the periods in which the timing differences are expected to reverse. With effect from 1 January 2008, various rates of income tax are applied depending on the activity of the company. The rate applied in relation to the company's activities is a combination of the company standard rate (0%) and the company intermediate rate (10%).

17. SHARE CAPITAL

	2009	2008
	£'000	£'000
Authorised ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid	<u>1,000</u>	<u>1,000</u>

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

18. RETAINED EARNINGS

	2009 £'000	2008 £'000
At 1 August	16,802	20,270
Profit for the year	1,414	1,532
Dividend paid	(2,500)	(5,000)
At 31 July	<u>15,716</u>	<u>16,802</u>

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £'000	2008 £'000
Profit on ordinary activities after taxation	1,414	1,532
Dividends	(2,500)	(5,000)
Net reduction to shareholders' funds	(1,086)	(3,468)
Opening shareholders' funds	17,802	21,270
Closing shareholders' funds	<u>16,716</u>	<u>17,802</u>

20. CONTINGENT LIABILITIES

Memorandum items:

Guarantees are analysed below:

	2009 £'000	2008 £'000
Guarantees to group companies	221	821
Guarantees to third parties	870	780
	<u>1,091</u>	<u>1,601</u>

The guarantees to third parties and group companies are fully secured by either liquid portfolios or cash deposits placed by customers with banks or other companies within the group.

21. COMMITMENTS

	2009 £'000	2008 £'000
<i>Memorandum items:</i>		
Undrawn facilities, credit lines and other commitments to lend		
Within one year	431	1,073

22. CAPITAL MANAGEMENT

Capital is defined as the total of share capital, share premium, retained earnings and other reserves. Total capital at 31 July 2009 was £16,716,000 (2008: £17,802,000).

Regulatory capital is determined in accordance with the requirements of the regulator (Guernsey Financial Services Commission (GFSC)).

The company's objectives when managing capital are:

- To comply with the capital requirements set by the regulator;
- To safeguard the company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and
- To maintain a strong capital base to support the development of the business.

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT

Review of the company's risk profile

The company has identified the risks arising from its activities and has established policies and procedures to manage these items in accordance with its risk appetite.

The company's financial instruments (other than derivatives), comprise deposits, money market assets and liabilities, and various other items that arise directly from its operations.

The company also enters into derivatives transactions (exclusively forward foreign currency contracts) on behalf of its customers and also for hedging purposes. The company does not enter into derivatives transactions for proprietary trading purposes.

The company is responsible for the management of liquidity, interest rate and foreign exchange risks within guidelines specified by the group. The company's risk profile is reviewed monthly by the asset and liability committee of the Board.

The company's maturity analysis of assets and liabilities is monitored daily. Its policy throughout the year has been to ensure liquidity by maintaining at all times sufficient high quality liquid assets to cover all anticipated net cash outflows. The maturity analysis of the assets and liabilities as at 31 July 2009 and 31 July 2008 is disclosed in the respective notes below.

The company's policy is to maintain interest rate risk at a minimum level, and this is also monitored daily. Management may invest the shareholders' funds in floating rate instruments in response to market conditions.

The table in note 23(c) shows the interest rate sensitivity gap as at 31 July 2009 and 31 July 2008. Assets and liabilities are included in the table at the earliest date at which the applicable interest rate can change.

The company categorises its financial risk into the following categories:

i) Credit risk

This is the largest component of the company's regulatory capital charge and currently comprises risk weighted assets of the lending portfolio (£4m (2008 - £4m)), Treasury activities (£93m (2008 - £94m)) and other assets (£12m (2008 - £10m)). The capital requirement, as defined by the GFSC, for credit risk is currently £12m (2008 - £13m).

ii) Liquidity risk

The company's position is highly liquid with prudent liquidity management practices such that no economic capital is required. All liabilities are met as they fall due from maturing assets without relying on renewing customer deposits or bank facilities. As a principal element of this, the company funds its loan portfolio with shareholders funds and unsecured committed facilities.

iii) Interest rate risk

This arises primarily as a result of the mismatch of repricing of assets and liabilities in the banking book. The company has a long established policy of matching, within specified guidelines, interest rate assets and liabilities associated with its lending activities in order to lock in margins. These positions are monitored monthly by the Board and at group level. Interest rate positions can be taken by the Treasury department. These positions are within conservative limits and are not in place to encourage a trading culture.

Interest rate derivatives, mainly interest rate swaps, are used solely for hedging purposes and mainly to hedge client transactions.

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT (continued)

Review of the company's risk profile (continued)

iv) Currency risk

The company's foreign currency exposure arises from providing services to customers. The company's policy is to hedge against these foreign currency exchange risks by engaging in forward currency transactions, where appropriate.

The table in note 23(d) shows the company's exposure to major currencies as at 31 July 2009 and 31 July 2008.

v) Other risks (including concentration risk, reputational risk, strategic risk and operational risk).

(a) Credit Risk

Before taking account of collateral the maximum exposure to credit risk at 31 July 2009 and 31 July 2008 was:

	2009	2008
	£'000	£'000
Loans and advances to customers	6,014	5,549
Loans and advances to banks	188,479	191,408
Certificates of deposit classified as loans and receivables	147,303	218,290
Floating rate notes	15,000	15,000
Other receivables	11,715	7,120
Derivative financial instruments	673	555
Undrawn commitments	431	1,073
Guarantees	1,091	1,601

In respect of loans and advances to banks and customers, and derivative financial instruments, the company may hold cash as security. Loans and advances to customers are secured on various assets. Lending is largely secured against portfolios, cash and property, as a result, recovery levels are high. Whilst much of the lending is to retail counterparties, of the assets which are to counterparties for which a rating is available, over 85% have a Moody's rating of Aaa to Aa3 or P1, and over 95% have a Moody's rating of Aaa to A3 or P1. Short term ratings are used for placements under 12 months.

	2009	2008
	£'000	£'000
Past due exposures	-	-

No loans and advances have been impaired or are past due as at 31 July 2009 or 31 July 2008.

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT (continued)

(b) Liquidity risk

Many financial instruments are settled earlier than their contractual maturity dates.

The company closely monitors its liquidity position against the Board's liquidity policy. The policy sets out elements of available and required liquidity through reference to and modelling of net lending commitment, liquidity reserves, deposit growth and the requirement for other payments (e.g. dividends and tax). From this, minimum and target liquidity levels are established. Furthermore, liquidity is also measured in proportion to the total balance sheet and is subject to trigger levels; these determine the appropriate levels of escalation in order to address any actual or forecast shortfalls. The liquidity policy also requires stress testing through modelling and assessment of any emerging and potentially extreme funding conditions.

The company's contractual undiscounted cash flows associated with financial liabilities were as follows:

	On demand £'000	In not more than 3 months £'000	In more than 3 months but not more than 6 months £'000	In more than 6 months but not more than 1 year £'000	In more than 1 year but not more than 5 years £'000	In more than 5 years £'000	Total £'000
At 31 July 2009							
Customer deposits	218,462	78,171	27,652	1,562	16,570	-	342,417
Bank deposits	4,356	1,000	-	2,111	581	-	8,048
Other financial liabilities	-	2,864	-	-	-	-	2,864
Total	<u>222,818</u>	<u>82,035</u>	<u>27,652</u>	<u>3,673</u>	<u>17,151</u>	<u>-</u>	<u>353,015</u>
<i>Off-balance sheet</i>							
Undrawn commitments	431	-	-	-	-	-	431
Guarantees	-	-	870	221	-	-	1,091

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT (continued)

(b) Liquidity risk (continued)

	On demand £'000	In not more than 3 months £'000	In more than 3 months but not more than 6 months £'000	In more than 6 months but not more than 1 year £'000	In more than 1 year but not more than 5 years £'000	In more than 5 years £'000	Total £'000
At 31 July 2008							
Customer deposits	206,006	191,074	5,045	1,756	-	-	403,881
Bank deposits	2,269	8,719	-	3,190	-	-	14,178
Other financial liabilities	3,609	-	-	-	-	-	3,609
Total	211,884	199,793	5,045	4,946	-	-	421,668
<i>Off-balance sheet</i>							
Undrawn commitments	1,073	-	-	-	-	-	1,073
Guarantees	-	-	221	1,380	-	-	1,601

The balances in the above table will not agree directly to the balances in the balance sheet as at 31 July 2009 and 2008 as the table incorporates all cash flows, on an undiscounted basis, relating to both principal and those associated with all future interest payments.

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT (continued)

(c) Interest rate exposure

The company's interest rate exposure is summarised below in the form of an interest rate repricing table. The table reflects the repricing profile of the company's assets, liabilities and net interest rate derivative contracts as at the year end. The table shows the sensitivity of the company's net assets to interest rate movements. The cumulative gap of interest bearing net assets of £6,331,000 (2008 — £12,614,000) broadly equates to the company's capital and reserves, which are necessarily subject to interest rate fluctuations and as a matter of policy are not hedged.

At 31 July 2009	Within three months £'000	Between three and six months £'000	Between six months and one year £'000	Between one and five years £'000	After more than five years £'000	Non-interest bearing £'000	Total £'000
Assets:							
Loans and advances to banks	134,192	24,122	12,966	17,199	-	-	188,479
Loans and advances to customers	6,014	-	-	-	-	-	6,014
Certificates of deposit	112,143	35,160	-	-	-	-	147,303
Floating rate notes	15,000	-	-	-	-	-	15,000
Other assets	-	-	-	-	-	13,380	13,380
	<u>267,349</u>	<u>59,282</u>	<u>12,966</u>	<u>17,199</u>	<u>-</u>	<u>13,380</u>	<u>370,176</u>
Liabilities:							
Deposit by banks	1,671	-	2,111	581	-	-	4,363
Customer accounts	294,662	25,052	1,312	9,509	-	-	330,535
Amounts due to group undertakings	5,656	2,600	250	7,061	-	49	15,616
Other liabilities	-	-	-	-	-	2,946	2,946
Equity shareholders' funds	-	-	-	-	-	16,716	16,716
	<u>301,989</u>	<u>27,652</u>	<u>3,673</u>	<u>17,151</u>	<u>-</u>	<u>19,711</u>	<u>370,176</u>
Net assets/(liabilities)	<u>(34,640)</u>	<u>31,630</u>	<u>9,293</u>	<u>48</u>	<u>-</u>	<u>(6,331)</u>	
Interest rate sensitivity gap	<u>(34,640)</u>	<u>31,630</u>	<u>9,293</u>	<u>48</u>	<u>-</u>	<u>(6,331)</u>	
Cumulative gap	<u>(34,640)</u>	<u>(3,010)</u>	<u>6,283</u>	<u>6,331</u>	<u>6,331</u>	<u>-</u>	

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT (continued)

(c) Interest rate exposure (continued)

At 31 July 2008	Within three months £'000	Between three and six months £'000	Between six months and one year £'000	Between one and five years £'000	After more than five years £'000	Non-interest bearing £'000	Total £'000
Assets:							
Loans and advances to banks	187,174	-	4,234	-	-	-	191,408
Loans and advances to customers	4,829	720	-	-	-	-	5,549
Certificates of deposit	218,290	-	-	-	-	-	218,290
Floating rate notes	15,000	-	-	-	-	-	15,000
Other assets	-	-	-	-	-	8,836	8,836
	<u>425,293</u>	<u>720</u>	<u>4,234</u>	<u>-</u>	<u>-</u>	<u>8,836</u>	<u>439,083</u>
Liabilities:							
Deposit by banks	5,334	-	3,057	-	-	-	8,391
Customer accounts	386,084	2,878	1,671	-	-	-	390,633
Amounts due to group undertakings	18,609	-	-	-	-	133	18,742
Other liabilities	-	-	-	-	-	3,515	3,515
Equity shareholders' funds	-	-	-	-	-	17,802	17,802
	<u>410,027</u>	<u>2,878</u>	<u>4,728</u>	<u>-</u>	<u>-</u>	<u>21,450</u>	<u>439,083</u>
Net assets/(liabilities)	<u>15,266</u>	<u>(2,158)</u>	<u>(494)</u>	<u>-</u>	<u>-</u>	<u>(12,614)</u>	
Interest rate sensitivity gap	<u>15,266</u>	<u>(2,158)</u>	<u>(494)</u>	<u>-</u>	<u>-</u>	<u>(12,614)</u>	
Cumulative gap	<u>15,266</u>	<u>13,108</u>	<u>12,614</u>	<u>12,614</u>	<u>12,614</u>	<u>-</u>	

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT (continued)

(c) Interest rate exposure (continued)

The sensitivity on the company as a result of changes in interest rates is shown below:

	Net interest income increase/(decrease)	
	£'000	£'000
	Fall	Rise
At 31 July 2009		
125 basis movement on interest rates	191	(298)
	<u>191</u>	<u>(298)</u>
	£'000	£'000
	Fall	Rise
At 31 July 2008		
125 basis movement on interest rates	147	(147)
	<u>147</u>	<u>(147)</u>

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT (continued)

(d) Foreign currency risk

At 31 July 2009 the company's gross exposure to foreign currencies was £351,000 (2008 - £1,054,000). The impact on the company's profit and equity of reasonably possible changes in exchange rates compared to actual rates would have been immaterial at 31 July 2008 and 31 July 2009.

At 31 July 2009

	Sterling £'000	USD £'000	Euro £'000	Other currencies £'000	Total £'000
Assets					
Loans and advances to customers	1,635	19	3,340	1,020	6,014
Loans and advances to banks	78,412	50,106	39,113	20,848	188,479
Certificates of deposit	90,000	57,303	-	-	147,303
Floating rate notes	15,000	-	-	-	15,000
Derivative financial instruments	673	-	-	-	673
Other financial assets	7,758	2,866	67	55	10,746
Non financial assets	1,961	-	-	-	1,961
Total assets	195,439	110,294	42,520	21,923	370,176
Liabilities					
Deposits by customers	175,431	106,995	42,738	17,253	342,417
Deposits by banks	909	3,215	347	3,577	8,048
Derivative financial instruments	591	-	-	-	591
Other financial liabilities	1,956	212	63	42	2,273
Non financial liabilities and equity shareholders' funds	16,847	-	-	-	16,847
Total liabilities	195,734	110,422	43,148	20,872	370,176
Net on balance sheet assets/(liabilities)	(295)	(128)	(628)	1,051	-
Off balance sheet assets					
Foreign exchange contracts	63,183	40,683	60,814	37	164,717
Forward dated items	6,969	4,488	751	1,576	13,784
Fiduciary assets	4,980	13,539	120	-	18,639
Off balance sheet liabilities					
Foreign exchange contracts	(62,991)	(40,436)	(60,265)	(1,018)	(164,710)
Forward dated items	(6,976)	(4,488)	(751)	(1,576)	(13,791)
Fiduciary liabilities	(4,980)	(13,539)	(120)	-	(18,639)
Total net currency exposure	(110)	119	(79)	70	-

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT (continued)

(d) Foreign currency risk (continued)

At 31 July 2008

	Sterling £'000	USD £'000	Euro £'000	Other currencies £'000	Total £'000
Assets					
Loans and advances to customers	1,748	274	2,767	760	5,549
Loans and advances to banks	66,615	63,849	48,171	12,773	191,408
Certificates of deposit	135,000	83,290	-	-	218,290
Floating rate notes	15,000	-	-	-	15,000
Derivative financial instruments	555	-	-	-	555
Other financial assets	6,246	224	72	578	7,120
Non financial assets	1,161	-	-	-	1,161
Total assets	226,325	147,637	51,010	14,111	439,083
Liabilities					
Deposits by customers	205,321	140,835	48,217	9,221	403,594
Deposits by banks	539	6,262	2,865	4,347	14,013
Derivative financial instruments	250	-	-	-	250
Other financial liabilities	2,977	119	196	67	3,359
Non financial liabilities and equity shareholders' funds	17,867	-	-	-	17,867
Total liabilities	226,954	147,216	51,278	13,635	439,083
Net on balance sheet assets/(liabilities)	(629)	421	(268)	476	-
Off balance sheet assets					
Foreign exchange contracts	70,179	31,029	75,950	2,734	179,892
Forward dated items	4,182	28,489	168	1,471	34,310
Fiduciary assets	-	14,251	-	-	14,251
Off balance sheet liabilities					
Foreign exchange contracts	(70,550)	(31,108)	(75,133)	(3,101)	(179,892)
Forward dated items	(4,182)	(28,489)	(168)	(1,471)	(34,310)
Fiduciary liabilities	-	(14,251)	-	-	(14,251)
Total net currency exposure	(1,000)	342	549	109	-

The sensitivity of the company as result of changes in foreign exchange rates is shown below:

	Net profit/(loss)	
	£'000	£'000
At 31 July 2009	Fall	Rise
5% movement across all currencies	(5)	5
At 31 July 2008	Fall	Rise
5% movement across all currencies	(50)	50

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT (continued)

(e) Other risks

1. Reputational Risk: It is held that this risk would only crystallise as a consequence of failure in managing the company's other key risks.
2. Strategic Risk: This is the risk of failing to achieve strategic objectives. The overall strategy for the company is reviewed at least annually and risks of internal and external changes are reflected in a detailed budget and three year plan by stress testing. It has been found that even under extreme conditions, the company's business model and risk management strategies remain robust and within the group's risk appetite.
3. Liquidity Risk: The company's position is highly liquid with prudent liquidity management practices such that no economic capital is required. All liabilities are met as they fall due from maturing assets without relying on renewing customer deposits or bank facilities. As a principal element of this, the company funds its loan portfolio with shareholders funds and unsecured committed facilities.
4. Concentration Risk The company has counterparty concentration risk within its Treasury assets in that exposure is to a number of similar credit institutions. The Banking Committee actively monitors counterparties and may reduce risk by either suspending dealing or liquidating investments in the light of adverse market information, for example in anticipation of or in response to any formal Fitch rating downgrade. This may happen in relation to specific banks or banks within a particular country or sector.
5. Operational Risk: This is the risk of material adverse impact resulting from inadequate or failed internal processes, caused by people or processes, or from external events. The operational risk capital requirement as calculated under Basel 2 reporting guidelines is currently £900,000.

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

23. RISK MANAGEMENT (continued)

(f) Asset and liability classification

At 31 July 2009	Fair value through profit and loss	Held to maturity assets	Loans and receivables	Financial liabilities at amortised cost	Available for sale assets and Non financial	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Assets:						
Loans and advances to customers	-	-	6,014	-	-	6,014
Loans and advances to bank	-	-	188,479	-	-	188,479
Certificates of deposit classified as loans and receivables	-	-	147,303	-	-	147,303
Floating rate notes held to maturity	-	15,000	-	-	-	15,000
Derivative financial instruments	673	-	-	-	-	673
Other assets	-	-	10,709	-	1,998	12,707
Total assets	673	15,000	352,505	-	1,998	370,176
Liabilities:						
Deposits by customers	-	-	-	342,417	-	342,417
Deposits by banks	-	-	-	7,734	-	7,734
Loans & overdrafts from banks	-	-	-	314	-	314
Derivative financial instruments	591	-	-	-	-	591
Other liabilities	-	-	-	2,272	16,848	19,120
Total liabilities	591	-	-	352,737	16,848	370,176

At 31 July 2008	Fair value through profit and loss	Held to maturity assets	Loans and receivables	Financial liabilities at amortised cost	Available for sale assets and Non financial	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Assets:						
Loans and advances to customers	-	-	5,549	-	-	5,549
Loans and advances to banks	-	-	191,408	-	-	191,408
Certificates of deposit classified as loans and receivables	-	-	218,290	-	-	218,290
Floating rate notes held to maturity	-	15,000	-	-	-	15,000
Derivative financial instruments	555	-	-	-	-	555
Other assets	-	-	7,156	-	1,125	8,281
Total assets	555	15,000	422,403	-	1,125	439,083
Liabilities:						
Deposits by customers	-	-	-	403,594	-	403,594
Deposits by banks	-	-	-	14,013	-	14,013
Derivative financial instruments	250	-	-	-	-	250
Other financial liabilities	-	-	-	3,392	-	3,392
Non financial liabilities and equity shareholders' funds	-	-	-	-	17,834	17,834
Total liabilities	250	-	-	420,999	17,834	439,083

CLOSE BANK GUERNSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

24. FORWARD EXCHANGE RATE CONTRACTS

	2009 £'000	2008 £'000
Forward exchange rate contracts:		
Contract amount	75,189	64,994
Credit risk weighted amount	907	298

Forward exchange rate contracts are only entered into for hedging purposes or on behalf of customers.

The credit risk weighted amounts have been calculated in accordance with guidelines laid down by the Guernsey Financial Services Commission and are intended to give an indication of credit risk.

25. GEOGRAPHICAL ANALYSIS OF ASSETS AND LIABILITIES

	Assets		Liabilities and shareholders' equity	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Channel Islands and Isle of Man	36,557	42,184	238,426	246,507
United Kingdom	320,424	378,834	48,351	65,565
Other	13,195	18,065	83,399	127,011
	<u>370,176</u>	<u>439,083</u>	<u>370,176</u>	<u>439,083</u>

26. LEASEHOLD OBLIGATIONS

Annual commitments under non-cancellable operating leases on land and buildings are as follows:

	2009 £'000	2008 £'000
Operating leases which expire:		
More than five years	1,151	1,089

27. PENSIONS

The company operates a defined contribution scheme with premiums payable at the rates of 5%-15% (2008: 5%-15%) of pensionable salary amounting to £270,131 (2008: £251,480).

28. SHARE-BASED PAYMENTS

The gross expense recognised for equity-settled share-based payments in respect of employee services during the year to 31 July 2009 is £259,732 (2008: £132,534). A rebate of prior years was received of £297,185 (2008: £nil)

29. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The company is a wholly owned subsidiary of Close International Bank Holdings Limited, the immediate controlling party, which is a company incorporated in Guernsey.

Close Brothers Group plc is the ultimate parent company and controlling party, a company incorporated in England and Wales.

CLOSE BANK GUERNSEY LIMITED

STATEMENT OF FINANCIAL RESOURCES For the year ended 31 July 2009

	2009	2008
	£'000	£'000
Financial resources		
Gross capital per balance sheet on page 6	16,716	17,802
	<hr/>	<hr/>
Financial resources requirement	4,000	4,000
	<hr/>	<hr/>
Satisfaction of financial resources rules		
Financial resources	16,716	17,802
Financial resources requirement	4,000	4,000
	<hr/>	<hr/>
Excess financial resources	12,716	13,802
	<hr/> <hr/>	<hr/> <hr/>