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Directors (as at the date of signing these accounts or as otherwise indicated)

James Mellon, (appointed 31 January 2008) (Non-Executive Chairman)
Arron FA Banks (appointed 31 January 2008) (Chief Executive Officer)
Jeremiah F Linehan, ACIB
Alan Clarke, FCA (appointed 31 January 2008)*
Denham Eke (appointed 31 January 2008)
Dr Christopher E Fay, BSc, PhD, FICE, CEng, FRSE, Hon FICE, FIE, FRSA (appointed 31 January 2008)†
Ilyas T Khan (appointed 31 January 2008)†
Don C McCrickard, FCIB (appointed 31 January 2008)*
Phillip Stamp, FCCA (appointed 31 January 2008)* †

* Member of the Audit Committee

† Member of the Remuneration Committee

Company Secretary

Karl G Grieves, BA, MSc, MRAS, FCA (resigned 2 January 2008)
Joly Hemuss, MENG, ACA (appointed 2 January 2008)

Registered Office

Conister House, Isle of Man Business Park, Cooil Road, Braddan, Isle of Man, IM2 2QZ

Independent Auditors

KPMG Audit LLC, Heritage Court, 39-41 Athol Street, Douglas, Isle of Man, IM99 1NH

Legal Advisers

Dickinson Cruickshank, 33 Athol Street, Douglas, IM1 1LB

Nominated Advisers

Beaumont Cornish Limited, 10-12 Copthall Avenue, London EC2R 7DE

Broker

Fairfax I.S. PLC, 46 Berkeley Square, London, W1J 5AJ

Principal Bankers

Barclays Private Clients International Limited, Barclays House, Victoria Street, Douglas, Isle of Man, IM99 1AJ

Consulting Actuaries

Boal & Co Limited, Harbour Mews, Parliament Square, Castletown, Isle of Man, IM9 1LA

BWCI Consulting Limited, Albert House, South Esplanade, St Peter Port, Guernsey, Channel Islands, GY1 3BY

Pension Fund Investment Manager

Close Investment Management (Isle of Man) Limited, St George's Court, Upper Church Street, Douglas, Isle of Man, IM1 1EE

Registrar

Computershare Investor Services (CI) Limited, PO Box 83, Ordnance House, 31 Pier Road, St Helier, Jersey, JE4 8PW

The Directors have pleasure in submitting their annual report and financial statements for the year ended 31 December 2007.

Principal Activity

The Company was incorporated on 2 May 2006 and was dormant until 31 January 2008 when, following an Isle of Man Court sanctioned Scheme of Arrangement, the Company became the parent of Conister Trust Limited (formerly Conister Trust PLC).

From 1 February 2008 the principal activities of the Group were the provision of prepaid cards via the TransSend business division, the provision of asset and personal finance (including premium finance) and litigation funding finance. The Company ceased to provide new litigation funding finance in June 2007.

Results

The Company was dormant throughout the year and therefore no income statement has been presented.

Dividend

The Directors do not recommend the payment of a dividend (2006: £nil).

Share capital

Particulars of the authorised and issued share capital of the company are set out in Note 2 to the financial statements.

Appointment of Directors

A F A Banks was appointed on 31 January 2008 and has expressed his willingness to be reappointed.

A Clarke was appointed on 31 January 2008 and has expressed his willingness to be reappointed.

D Eke was appointed on 31 January 2008 and has expressed his willingness to be reappointed.

Dr C E Fay was appointed on 31 January 2008 and has expressed his willingness to be reappointed.

I T Khan was appointed on 31 January 2008 and has expressed his willingness to be reappointed.

J F Linehan was appointed on 18 April 2007, retires by rotation and has expressed his willingness to be reappointed.

D McCrickard was appointed on 31 January 2008 and has expressed his willingness to be reappointed.

J Mellon was appointed on 31 January 2008 and has expressed his willingness to be reappointed.

P Stamp was appointed on 31 January 2008 and has expressed his willingness to be reappointed.

Resignation of Directors

A J Baker (resigned 18 April 2007)

D E Myers (resigned 18 April 2007)

L Wong, FCIB, MBA (resigned 2 November 2007)

Directors' liability insurance

The Company maintains insurance cover for Directors' liability in relation to the Group.

Investments in subsidiaries

The Company held no investments during the year. On 31 January 2008 the Company acquired by way of the Scheme of Arrangement the entire issued share capital of Conister Trust Limited (formerly Conister Trust PLC).

Subsequent Events

Conister Trust Limited (formerly Conister Trust PLC), following an Isle of Man Court sanctioned Scheme of Arrangement, became a wholly owned subsidiary of Conister Financial Group PLC with effect from 31 January 2008. As at that date all Shareholders of Conister Trust Limited (formerly Conister Trust PLC) become the Shareholders in Conister Financial Group PLC.

Going Concern

After making enquiries, the Directors have a reasonable expectation that the Company and its subsidiaries have adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the Financial Statements.

Auditor

KPMG Audit LLC, being eligible, have expressed their willingness to continue in office in accordance with Section 12(2) of the Isle of Man Companies Act 1982.

By order of the Board

Joly Hemuss, MENG, ACA

Company Secretary

28 May 2008

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year which meet the requirements of Isle of Man company law. In addition, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year.

In preparing these 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 International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Isle of Man Companies Acts 1931 to 2004. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Report of the Independent Auditors, KPMG Audit LLC, to the Members of Conister Financial Group PLC

We have audited the financial statements ("the financial statements") of Conister Financial Group PLC for the year ended 31 December 2007 which comprise the Balance Sheet, the Cash Flow Statement and the related notes. 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 15 of the Companies Act 1982. 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 Auditor's 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 Auditor

The Directors' responsibilities for preparing financial statements in accordance with applicable Isle of Man company law and International Financial Reporting Standards are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant 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 and are properly prepared in accordance with Isle of Man Companies Acts 1931 to 2004. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' transactions with the Company is not disclosed.

We read the Directors' Report and any other information accompanying the financial statements and consider the implications for our report if we become aware of any apparent misstatements or inconsistencies within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the UK 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 applicable Isle of Man law and International Financial Reporting Standards, of the state of the Company's affairs as at 31 December 2007 and of the result for the year then ended;
- the financial statements have been properly prepared in accordance with the Isle of Man Companies Acts 1931 to 2004; and
- the information in the Directors' Report is consistent with the financial statements.

KPMG Audit LLC

Chartered Accountants
28 May 2008

Heritage Court
39-41 Athol Street
Douglas
Isle of Man

Balance Sheet

as at 31 December 2007	Notes	2007 £	2006 (Note 1d) £
Current assets			
Cash and cash equivalents		1	1
Equity			
Called up share capital	2	1	1

These financial statements were approved by the Board of Directors on 28 May 2008 and signed on their behalf by:

J F Linehan
Director

P Stamp
Director

The notes on page 6 form part of these financial statements.

Cash Flow Statement

for the year ended 31 December 2007	Notes	2007 £	2006 (Note 1d) £
Cash flows from financing activities			
Issue of ordinary share capital	2	—	1
Increase in cash and cash equivalents		—	1
Cash and cash equivalents at the start of the year		1	—
Cash and cash equivalents at the end of the year		1	1

1. Accounting policies

1.1 Basis of preparation

(a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) for financial statements, and International Financial Reporting Interpretations Committee (“IFRIC”) interpretations applicable to companies reporting under IFRS.

(b) Basis of Measurement

The financial statements are presented in sterling. They are prepared on a historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in sterling (rounded to the nearest pound), which is the functional currency of the Company.

(d) Comparative period

The Company was incorporated on 2 May 2006. The comparative period relates to the period from the date of incorporation to 31 December 2006.

1.2 Income statement

No income statement has been presented as the Company has been dormant since incorporation.

2. Share capital

	2007 £	2006 £
100,000,000 Authorised ordinary shares of £0.25 each	<u>25,000,000</u>	<u>25,000,000</u>
2 Issued ordinary shares of £0.25 each fully paid	1	1

3. Related party transactions

There have been no related party transactions during the year.

4. Parent and ultimate controlling party

The Company's immediate parent company and ultimate controlling party at 31 December 2007 was Conister Trust Limited (formerly Conister Trust PLC), a company incorporated in the Isle of Man.

5. Post-balance sheet events

Scheme of Arrangement

Conister Trust Limited (formerly Conister Trust PLC), following an Isle of Man Court sanctioned Scheme of Arrangement, became a wholly owned subsidiary of Conister Financial Group PLC with effect from 31 January 2008. As at that date all Shareholders of Conister Trust Limited (formerly Conister Trust PLC) became Shareholders in Conister Financial Group PLC.

Granting of Share Options

On 1 February 2008 the Company granted share options over 1,275,000 Ordinary Shares of 25p each under the Employee Share Option Scheme 2003.

Notice is hereby given that the Annual General Meeting of Conister Financial Group PLC (the "Company") will be held on Monday, 30 June 2008, at The Claremont Hotel, 18–19 Loch Promenade, Douglas, Isle of Man at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, of which resolutions 1 to 10 will be proposed as ordinary resolutions and resolution 11 will be proposed as a special resolution.

Ordinary Business

To consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

Resolution 1

To receive and adopt the Report of the Directors and the Financial Statements for the year ended 31 December 2007 together with the Report of the Independent Auditors on such statements.

Resolution 2

To reappoint KPMG Audit LLC as Auditor to hold office from the conclusion of the meeting to the conclusion of the next meeting at which Financial Statements are laid before the Company, at a remuneration to be determined by the Directors.

Resolution 3

To reappoint Mr J Mellon, a Director appointed since the Company's last Annual General Meeting.

Resolution 4

To reappoint Mr A F A Banks, a Director appointed since the Company's last Annual General Meeting.

Resolution 5

To reappoint Mr A Clarke, a Director appointed since the Company's last Annual General Meeting.

Resolution 6

To reappoint Dr C E Fay, a Director appointed since the Company's last Annual General Meeting.

Resolution 7

To reappoint Mr I T Khan, a Director appointed since the Company's last Annual General Meeting.

Resolution 8

To reappoint Mr J F Linehan, a Director retiring by rotation under the Company's Articles of Association.

Resolution 9

To reappoint Mr D C McCrickard, a Director appointed since the Company's last Annual General Meeting.

Resolution 10

To reappoint Mr P Stamp, a Director appointed since the Company's last Annual General Meeting.

Conister Financial Group PLC
Notice of
Annual General Meeting

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Special Business

To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

Resolution 11

That the Company is hereby authorised to issue shares amounting to not more than 20 per cent of the then existing issued share capital, at not more than a discount of 10 per cent to the then market price. The authority hereby conferred shall (unless previously renewed or revoked) expire on the date which is eighteen months after the date on which this resolution is passed.

For ordinary resolutions to be passed, more than half of the votes cast must be in favour of the resolution, whilst in the case of a special resolution at least three-quarters of the votes cast must be in favour. We expect the meeting to conclude by 12.30 p.m.

By order of the Board

Joly Hemuss, MENG, ACA

Company Secretary
28 May 2008

Important Notices for Shareholders

A member of the Company entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, to vote instead of the member. A proxy need not be a member.

A voting proxy is enclosed with these Financial Statements; please return it in the stamped addressed envelope.

Conister Financial Group PLC

Conister House
Isle of Man Business Park
Cooil Road
Braddan
Isle of Man
IM2 2QZ

Tel: (01624) 694694
Fax: (01624) 624278

www.cfgplc.com

