

J. ROTHSCHILD INVESTMENTS LIMITED

(ENGLISH REGISTER NUMBER 414450)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1995



J. ROTHSCHILD INVESTMENTS LIMITED

REPORT OF THE DIRECTORS

The Directors submit their report and the audited accounts of the Company for the year ended 31 March 1995.

Activities

The Company is an investment holding company.

Financial Results and Dividends

The Company made a profit after taxation of £17,088 (1994 - £Nil).

A dividend of £17,088 was paid during the year (1994 - £Nil).

Directors

The Directors during the year were:

R E Bell
D F Connon
J W P Johnston - Resigned 25 May 1995
S R Sanders - Appointed 25 May 1995
D N Wood

Directors' Interests

The Directors have no beneficial interests in the shares or debentures of the Company. Beneficial interests in shares or debentures of St James's Place Capital plc, the Company's ultimate parent undertaking, are as follows:

	<u>Ordinary Shares of 15p each</u>			
	<u>31 March 1995</u>		<u>1 April 1994</u>	
	<u>Fully</u> <u>Paid</u>	<u>Share</u> <u>Options</u>	<u>Fully</u> <u>Paid</u>	<u>Share</u> <u>Options</u>
R E Bell	17,242	269,628	17,070	250,000
D F Connon	577	211,269	491	119,043
J W P Johnston	112,516	500,000	112,516	500,000
D N Wood	24,803	134,879	24,631	110,000

J. ROTHSCHILD INVESTMENTS LIMITED

REPORT OF THE DIRECTORS (Continued)

Statement of Directors' Responsibilities

Company law 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 and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:-

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Price Waterhouse have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board



J Rothschild Administration Limited

Secretary

23 AUG 1995

REPORT OF THE AUDITORS

TO THE MEMBERS OF

J. ROTHSCHILD INVESTMENTS LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 2 the Company's Directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, 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 of the state of the Company's affairs as at 31 March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

Price Waterhouse
Chartered Accountants
and Registered Auditors
Southwark Towers
32 London Bridge Street
London
SE1 9SY

23 August 1995

J. ROTHSCHILD INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 1995

	<u>Notes</u>	<u>Year Ended</u> <u>31 March 1995</u>	<u>Year Ended</u> <u>31 March 1994</u>
		£	£
Profit on sale of investments		17,089	-
Amounts written off investments		(1)	-
Profit on ordinary activities before taxation - continuing operations		<hr/> 17,088	<hr/> -
Taxation on profit on ordinary activities		-	-
Profit on ordinary activities after taxation		<hr/> 17,088	<hr/> -
Dividend paid		(17,088)	-
Retained profit brought forward		-	-
Retained profit carried forward		<hr/> - =====	<hr/> - =====

The Company has no recognised gains or losses other than the profit for the financial year.

The notes on pages 6 to 8 form part of these accounts.

J. ROTHSCHILD INVESTMENTS LIMITED

BALANCE SHEET AT 31 MARCH 1995

	<u>Notes</u>	<u>31 March 1995</u> £	<u>31 March 1994</u> £
Fixed Assets:			
Shares in group undertakings	3	-	-
Current Assets:			
Amounts owed by parent undertakings		101	3,080,101
		<hr/>	<hr/>
		101	3,080,101
Creditors: Amounts falling due within one year			
Amount owed to parent undertaking		-	(3,080,000)
		<hr/>	<hr/>
Total Assets less Current Liabilities		101 =====	101 =====
Capital and Reserves:			
Called up share capital	4	101	101
Profit and loss account		-	-
		<hr/>	<hr/>
Equity Shareholders' Funds	5	101 =====	101 =====

The accounts were approved by the
Board of Directors on **23 AUG 1995**
and are signed on the Board's behalf by:



Director

The notes on pages 6 to 8 form part of these accounts.

J. ROTHSCHILD INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

(1) Accounting Policies

- (i) The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.
- (ii) Investments are included individually at the lower of cost and market value in the case of listed investments and at the lower of cost and Directors' valuation in the case of unlisted investments.
- (iii) Realised gains and losses are included in profit before taxation and are calculated as the difference between sales proceeds and historical cost for those investments purchased and sold in the same year and as the difference between sales proceeds and the previous year end market or directors' valuation for those investments held over a year end. This method of calculation is in accordance with Financial Reporting Standard 3.
- (iv) The shares in group undertakings represent shares in subsidiaries which are stated at cost, less amounts written off.
- (v) The Company is ultimately a wholly owned subsidiary undertaking of St James's Place Capital plc which produces consolidated accounts in accordance with the requirements of the Companies Act 1985. Accordingly the Company has taken advantage of the exemption available under section 228 Companies Act 1985 not to produce consolidated accounts.

The financial statements present information about the Company as an individual undertaking and not as a group. In the opinion of the Directors the value of investments in subsidiary undertakings not dealt with in the group accounts, including amounts owing by such subsidiary undertakings, is not less than the aggregate amount at which they are shown in the Company's balance sheet.

(2) Directors' Emoluments and Auditors' Remuneration

Other than the Directors, the Company has no employees. None of the Directors received any emoluments in respect of their services to the Company (1994 - £Nil). The auditors' remuneration has been borne by another group undertaking and is disclosed in the accounts thereof (1994 - £Nil).

J. ROTHSCHILD INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS (Continued)

(3) Shares in Group Undertakings

	<u>31 March 1995</u>	<u>31 March 1994</u>
	£	£
Cost of shares in group undertakings	110,040,000	110,040,000
Additions	1	-
Less disposals	(110,040,000)	-
Less provisions	(1)	(110,040,000)
Cost of shares in group undertakings less provisions	<u>-</u>	<u>-</u>
	=====	=====

The Company's wholly owned group undertaking at 31 March 1994 was J Rothschild Corporate Investments Limited, an investment company incorporated and operating in the U.K. This shareholding was transferred to J. Rothschild Holdings plc in March 1995. During the year the Company acquired part of the ordinary share capital of a subsidiary undertaking, MHS Investments Limited.

(4) Share Capital

	<u>31 March 1995</u>	<u>31 March 1994</u>
	£	£
Authorised:		
100 ordinary shares of £1 each	100	100
1 Special Rights Redeemable Preference Share of £1	1	1
	<u>101</u>	<u>101</u>
	=====	=====
Allotted, issued and fully paid:		
100 ordinary shares of £1 each	100	100
1 Special Rights Redeemable Preference Share of £1	1	1
	<u>101</u>	<u>101</u>
	=====	=====

The Company has issued one Special Rights Redeemable Preference Share of £1 to The J Rothschild Name Company Limited, an entity formed to protect the use of the corporate name J Rothschild.

J. ROTHSCHILD INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS (Continued)

(5) Reconciliation of Movements in Shareholders' Funds

	<u>31 March 1995</u>	<u>31 March 1994</u>
	£	£
Opening shareholders' funds	101	101
Profit attributable to shareholders for the year	17,088	-
Dividends paid	(17,088)	-
	<hr/>	<hr/>
Closing shareholders' funds	101	101
	=====	=====

(6) Ultimate Parent Undertaking

The parent undertaking of the smallest and largest group to consolidate the accounts of the Company is St James's Place Capital plc, a company registered in England and Wales, which is also the ultimate parent undertaking.

Copies of the group accounts of St James's Place Capital plc may be obtained from the Company Secretary, St James's Place Capital plc, 27 St James's Place SW1A 1NR.