

PERTH INVESTMENTS LIMITED  
REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2000

Registered in England and Wales Number 1142836

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PERTH INVESTMENTS LIMITED

DIRECTOR'S REPORT

The director submits its report and accounts for the year ended 31 March 2000.

Principal activity

The Company has not traded during the year. Its financial position remains satisfactory.

Liquidation of subsidiaries

Subsequent to the year end the subsidiary undertakings were both liquidated. The liquidation proceeds amounted to £557,711.

Director

The director of the Company is:-

Save & Prosper Group Limited

The director listed above was in office throughout the year. On 27 April 2000 Save & Prosper Broker Services Limited went into members voluntary liquidation and therefore resigned from the board on that date.

Director's interests

The director, Save & Prosper Group Limited, was the beneficial owner of the whole of the called-up share capital of the Company throughout the year.

Debentures

During the year the Company redeemed at par debenture stock with a nominal value of £91,106 (1999: £158,997). No debentures were issued during the year (1999: nil).

Statement of director's responsibilities in respect of the accounts

Company law requires the director to prepare accounts 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 accounts, the director is required to:

- \* select suitable accounting policies and then apply them consistently;
- \* make judgements and estimates that are reasonable and prudent; and
- \* prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable it to ensure that the accounts comply with the Companies Act 1985. It is 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.

PERTH INVESTMENTS LIMITED  
DIRECTORS' REPORT (CONTINUED)

Year 2000

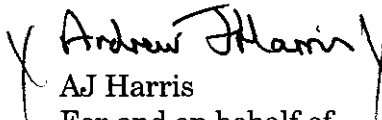
The Flemings Year 2000 project ensured that the necessary extensive preparations were made throughout the Group to ensure business continuity into 2000. All businesses throughout the Group were open for business as usual after January 1 and no significant Year 2000 issues have arisen since then.

Costs arising from the group programme are being borne by other group companies. Details of total direct costs arising from the group programme are given in the Financial Review in the accounts of Robert Fleming Holdings Limited.

Proposed acquisition of Robert Fleming Holdings Ltd

The boards of The Chase Manhattan Corporation ("Chase") and Robert Fleming Holdings Limited ("Flemings") announced on 11 April 2000 the terms of a recommended offer for Flemings to be made by Chase Manhattan plc on behalf of Chase. As the offer is subject to certain regulatory clearances and other conditions, it is anticipated that the transaction will be completed in approximately four months. The proposed combination of Flemings' businesses with Chase will enable the combined business to offer a broader range of products and services to their customers.

Finsbury Dials  
20 Finsbury Street  
London EC2Y 9AY  
26 July 2000

  
AJ Harris  
For and on behalf of  
Save & Prosper Group Limited  
Secretary

PERTH INVESTMENTS LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF PERTH INVESTMENTS LIMITED

We have audited the accounts on pages 4 to 6 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 5.

Respective responsibilities of director and auditors

As described in the director's report the Company's director is responsible for the preparation of the accounts 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. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

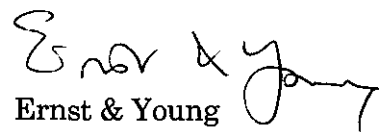
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, 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 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 at 31 March 2000 and have been properly prepared in accordance with the Companies Act 1985.




Ernst & Young  
Registered Auditor  
London  
26 July 2000

PERTH INVESTMENTS LIMITED  
BALANCE SHEET AT 31 MARCH 2000

	<u>Note</u>	<u>2000</u> £	<u>1999</u> £
Investments in subsidiary undertakings	2	547,210	547,210
Current assets			
Debtors	3	6,335,544	6,426,650
Creditors: amounts falling due within one year	4	(6,881,754)	(6,972,860)
Net current liabilities		(546,210)	(546,210)
Total assets less current liabilities		<u>1,000</u>	<u>1,000</u>
Capital and reserves			
Called-up share capital (equity interests)	5	<u>1,000</u>	<u>1,000</u>

AJ Harris

X  X  
) For and on behalf of  
) Save & Prosper Group Limited  
) Corporate Director

26 July 2000

PERTH INVESTMENTS LIMITED

NOTES ON THE ACCOUNTS

1. Accounting policies

- a) The accounts are prepared in accordance with applicable accounting standards and under the historical cost convention.
- b) Group accounts have not been prepared and information is presented for the Company as an individual undertaking and not for the group, as the Company is a wholly-owned subsidiary undertaking of a parent undertaking registered in England and Wales.
- c) Investments in subsidiary undertakings are included at cost.

2. Investments in subsidiary undertakings

The Company's subsidiary undertakings, which are wholly-owned and registered in England and Wales, are:-

Progress Securities (Five) Limited  
Progress Securities (Thirteen) Limited

In the opinion of the director the value of investments in subsidiary undertakings is not less than the amount at which they are stated in the accounts.

Both subsidiary undertakings were dormant throughout the year.

3. <u>Debtors</u>	<u>2000</u>	<u>1999</u>
Amount owed by parent undertaking	<u>£6,335,544</u>	<u>£6,426,650</u>
4. <u>Creditors: amounts falling due within one year</u>		
Guaranteed debenture stock	6,324,043	6,415,149
Amounts owed to subsidiary undertakings	<u>557,711</u>	<u>557,711</u>
	<u>£6,881,754</u>	<u>£6,972,860</u>

The Guaranteed Debenture Stock, created on 20 March 1974 and increased on 7 December 1976 and 4 May 1979, is interest free and comprises a series of debentures securing, or intending to secure £100 million.

The Registered Holder may, on 21 days written notice to the company, obtain redemption of his stock at par. The Company may, at any time on or after 31 March 2054, redeem all or any stock subject to not less than three months written notice.

PERTH INVESTMENTS LIMITED  
NOTES ON THE ACCOUNTS (CONTINUED)

4. Creditors: amounts falling due within one year (continued)

The stock is guaranteed by Save & Prosper Group Limited and the trustees are the Governor and Company of the Bank of Scotland.

The debentures are secured by a first floating charge on all the assets of the Company, both present and future, including any uncalled capital.

5.	<u>Called-up share capital</u>	<u>2000</u>	<u>1999</u>
	Authorised, allotted, called up and fully paid:-		
	1,000 ordinary shares of £1 each	<u>£1,000</u>	<u>£1,000</u>

6. Profit and loss account

No profit and loss account has been prepared as the Company did not trade during the year. All expenses, including auditors' remuneration, have been borne by group undertakings.

7. Director's remuneration

The director received no remuneration during the year in respect of its services to the Company (1999: nil).

8. Cash flow statement

The Company has taken advantage of an exemption from the requirement to prepare a statement of cashflows under FRS1 as its cashflows are included within the consolidated statement of cashflows prepared by Robert Fleming Holdings Limited.

9. Ultimate parent undertaking

The parent undertaking is Save & Prosper Group Limited which is registered in England and Wales. The ultimate parent undertaking of the group of undertakings for which group accounts are drawn up, and of which the Company is a member, is Robert Fleming Holdings Limited, registered in England and Wales. Copies of the accounts of Robert Fleming Holdings Limited can be obtained from 25 Copthall Avenue, London EC2R 7DR.

As the Company is a wholly owned subsidiary undertaking it has taken advantage of an exemption under FRS8 and has not disclosed transactions with group companies and investees of the group qualifying as related parties.