

264386

2036243

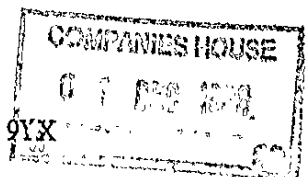
JUPITER TARBUTT LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 30 JUNE 1988

DIXON WILSON
CHARTERED ACCOUNTANTS

PO Box 900 Rotherwick House 3 Thomas More Street London E1 9YX
Telephone: 01-628 4321 Fax: 01-702 9769 Telex: 883967



JUPITER TARBUTT LIMITEDINDEXYear ended 30 June 1988

	<u>Page</u>
GENERAL INFORMATION	2
REPORT OF THE DIRECTORS	3/4
REPORT OF THE AUDITORS	5
CONSOLIDATED PROFIT AND LOSS ACCOUNT	6
BALANCE SHEETS	7
STATEMENT OF SOURCE AND APPLICATION OF FUNDS	8
NOTES TO THE FINANCIAL STATEMENTS	9/15

JUPITER TAR BUTT LIMITED
GENERAL INFORMATION

DIRECTORS

J L Duffield (Chairman)
J Janson (Deputy Chairman)
M F Heathcoat Amory (Managing Director)
D W Astor
M R L Astor
J E Craig
M Fone
H T W Janson
T C Pilkington

SECRETARY

R H Ridout

REGISTERED OFFICE

Knightsbridge House
197 Knightsbridge
London
SW7 1RB
Number 2036243 - English register

AUDITORS

Dixon Wilson
P O Box 900
Rotherwick House
3 Thomas More Street
London
E1 9YX

BANKERS

The Royal Bank of Scotland PLC
67 Lombard Street
London
EC3P 3DL

SOLICITORS

Lawrance, Messer & Co
1 Noble Street
London
EC2V 7BJ

JUPITER TARBUTT LIMITED
REPORT OF THE DIRECTORS

The directors have pleasure in submitting their report and accounts for the year ended 30 June 1988.

FINANCIAL STATEMENTS AND DIVIDENDS

The consolidated profit and loss account and balance sheet and the company balance sheet are set out on pages 6 and 7. These should be read in conjunction with their related notes.

The directors recommend the payment of a dividend of 4p net per ordinary share in respect of the year (1987 - 2p net).

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The company acted as a non-trading holding company until 29 April 1988 when it acquired at book value the assets and liabilities as at that date of two of its subsidiaries, Jupiter Asset Management Limited and Tarbutt and Company Limited. On the same date the company also took over the businesses of those subsidiaries, which then ceased trading. This followed the company's admittance to membership of the Investment Management Regulatory Organisation Limited (IMRO). The company continues to trade as a member of IMRO and in the opinion of the directors the state of affairs and future prospects of the company are satisfactory.

DIRECTORS

The directors who held office during the year were as shown on page 2, with the exception of Mr M Fone who was appointed a director on 1 October 1988.

In accordance with the company's Articles of Association Mr M Fone is retiring at the forthcoming annual general meeting and, being eligible, offers himself for election.

DIRECTORS' INTERESTS

Details of each director's interests in the shares of the company at the beginning and end of the year were as follows:

		Ordinary £1 shares	
		30 June 1988	1 July 1987
J L Duffield		23,332	23,332
J Janson		24,211	23,073
M F Heathcoat Amory	- as beneficial owner	30,773	30,773
	- as trustee	4,252	-
	- as trustee for J L Duffield	50,001	50,001
		25,250	50,666
		20,610	19,667
D W Astor		3,000	3,000
M R L Astor		4,752	4,752
J E Craig		27,474	27,474
H T W Janson	- as beneficial owner	500	-
T C Pilkington	- as trustee		

(continued)

JUPITER TARBUTT LIMITED
REPORT OF THE DIRECTORS
 (continued)

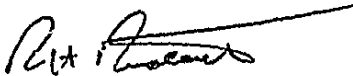
FIXED ASSETS

The movements in fixed assets are set out in notes 9 and 10 to the financial statements.

	<u>1988</u>	<u>1987</u>
	£	£
CHARITABLE DONATIONS		
Amounts contributed for charitable purposes	<u>-</u>	<u>5,000</u>

AUDITORS

A resolution to re-appoint Dixon Wilson as auditors of the company will be proposed at the forthcoming annual general meeting.



R H RIDOUT
 Secretary

London
 9 November 1988

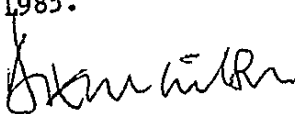
DIXON WILSON

CHARTERED ACCOUNTANTS

REPORT OF THE AUDITORS TO THE MEMBERS OF
JUPITER TARBUTT LIMITED

We have audited the financial statements on pages 6 to 15 in accordance with approved Auditing Standards.

In our opinion, the financial statements, which have been prepared under the historical cost convention give a true and fair view of the company's and of the group's state of affairs at 30 June 1988 and of the group profit and source and application of funds for the year then ended and comply with the Companies Act 1985.


DIXON WILSON
Chartered Accountants

London
9 November 1988

JUPITER TARBUTT LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 30 June 1988

	<u>Note</u>	<u>1988</u> £	<u>1987</u> £
TURNOVER	2	1,241,117	798,188
Other operating income		38,441	28,561
Administrative expenses		<u>(1,029,652)</u>	<u>(721,508)</u>
OPERATING PROFIT	3	249,906	105,241
Interest receivable		101,418	38,173
Interest payable	5	<u>(345)</u>	<u>(33,991)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEMS		350,979	174,423
Exceptional items	6	<u>-</u>	<u>75,000</u>
PROFIT BEFORE TAXATION		350,979	184,423
Taxation	7	<u>(140,752)</u>	<u>(106,484)</u>
PROFIT AFTER TAXATION		210,227	77,939
Dividend	8	<u>(12,000)</u>	<u>(6,000)</u>
PROFIT FOR THE FINANCIAL YEAR of which £18,832 is dealt with in the accounts of the company (1987 - Nil)		198,227	71,939
Retained profit brought forward		<u>174,553</u>	<u>102,614</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>372,780</u></u>	<u><u>174,553</u></u>

JUPITER TARBUTT LIMITED AND SUBSIDIARY COMPANIES

BALANCE SHEETS

At 30 June 1988

		<u>The group</u>		<u>The company</u>	
	<u>Note</u>	<u>1988</u>	<u>1987</u>	<u>1988</u>	<u>1987</u>
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	9	116,600	50,709	116,600	-
Investment in subsidiaries	10	-	-	350,100	300,000
		<u>116,600</u>	<u>50,709</u>	<u>466,700</u>	<u>300,000</u>
CURRENT ASSETS					
Investments	11	-	2,515	-	-
Debtors	12	1,046,746	1,924,120	986,808	8,219
Cash at bank and in hand		<u>4,382,931</u>	<u>3,783,241</u>	<u>4,192,814</u>	-
		5,429,677	5,709,876	5,179,622	8,219
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
	13	<u>(4,873,497)</u>	<u>(5,253,251)</u>	<u>(5,327,490)</u>	<u>(8,219)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>556,180</u>	<u>456,625</u>	<u>(147,868)</u>	-
TOTAL ASSETS LESS CURRENT LIABILITIES		672,780	507,334	318,832	300,000
PROVISIONS FOR LIABILITIES AND CHARGES					
	14	-	(32,781)	-	-
		<u>672,780</u>	<u>474,553</u>	<u>318,832</u>	<u>300,000</u>
CAPITAL AND RESERVES					
Share capital	15	300,000	300,000	300,000	300,000
Profit and loss account		<u>372,780</u>	<u>174,553</u>	<u>18,832</u>	-
		<u>672,780</u>	<u>474,553</u>	<u>318,832</u>	<u>300,000</u>

Approved by the board of directors on 9 November 1988

J L DUFFIELD)

M F HEATHCOAT AMORY)

Directors

J. L. Duffield
M. F. Heathcoat Amory

The notes numbered 1 to 15 form part of this financial statement

JUPITER TARBUTT LIMITED AND SUBSIDIARY COMPANIES
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
Year ended 30 June 1988

	<u>1988</u>	<u>1987</u>
	£	£
SOURCE OF FUNDS		
Profit before taxation	350,979	184,423
Adjustments for items not involving the movement of funds:		
Excess cost on redemption of loan stock	-	50,000
Depreciation	29,395	16,341
Loss on disposal of tangible fixed assets	-	10,283
Profit on disposal of investments	-	(10,090)
Release of provision for dilapidations	-	(4,500)
TOTAL GENERATED FROM OPERATIONS	<u>380,374</u>	<u>246,457</u>
FUNDS FROM OTHER SOURCES		
Sale of tangible fixed assets	-	14,748
Sale of investments	-	26,217
	<u>380,374</u>	<u>287,422</u>
APPLICATION OF FUNDS		
Purchase of tangible fixed assets	(95,286)	(37,664)
Redemption of loan stock	-	(100,000)
Dividend paid	(6,000)	(23,325)
Tax paid	(75,396)	(20,640)
NET INFLOW OF FUNDS	<u>203,692</u>	<u>105,793</u>
 Representing:		
WORKING CAPITAL		
Investments	(2,515)	2,515
Debtors excluding advance corporation tax recoverable	(881,374)	(376,900)
Creditors excluding current corporation tax and proposed dividend	<u>487,891</u>	<u>(192,653)</u>
	(395,998)	(567,038)
MOVEMENT IN NET LIQUID FUNDS		
Bank and cash	<u>599,690</u>	<u>672,831</u>
	<u>203,692</u>	<u>105,793</u>

JUPITER TARBUTT LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 1988

1 ACCOUNTING POLICIES AND BASIS OF FINANCIAL STATEMENTS

Accounting convention

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The group financial statements consolidate the financial statements of Jupiter Tarbutt Limited and all its subsidiaries prepared to 30 June 1988. No profit and loss account is presented for Jupiter Tarbutt Limited as provided by Section 228(7) of the Companies Act 1985.

On 29 April 1988 the company acquired the assets and liabilities as at that date of two of its subsidiaries, Jupiter Asset Management Limited and Tarbutt and Company Limited, at book value. From that date the company also took over the businesses of those subsidiaries, which then ceased trading. Accordingly, the consolidated financial statements incorporate the trading results of Jupiter Asset Management Limited and Tarbutt and Company Limited for the ten months ended 29 April 1988, the results of Jupiter Unit Trust Managers Limited for the year ended 30 June 1988 and the results of the company for the two months ended 30 June 1988. The comparative profit and loss account incorporates the combined results of the group for the nine months ended 30 June 1987.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows:

Short leasehold property	-	over the period of the lease
Furniture and equipment	-	5 years
Motor vehicles	-	4 years

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

(continued)

JUPITER TARBUTT LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 1988

(continued)

2 **TURNOVER**

Turnover is stated net of value added tax and represents fees receivable in respect of investment management and secretarial services, commission receivable and profit on sale of securities (investment management activity), and unit trust management fees and gross profit on sale of units (unit trust activity).

Turnover and profit before taxation relating to different classes of business are made up as to:

	<u>Turnover</u>		<u>Profit/(loss) before taxation</u>	
	<u>1988</u>	<u>1987</u>	<u>1988</u>	<u>1987</u>
	£	£	£	£
Investment management activity	1,145,487	687,212	393,222	107,739
Unit trust activity	<u>95,630</u>	<u>110,976</u>	<u>(42,243)</u>	<u>76,684</u>
	<u>1,241,117</u>	<u>798,188</u>	<u>350,979</u>	<u>184,423</u>

3 **OPERATING PROFIT**

This is stated after charging:

	<u>1988</u>	<u>1987</u>
	£	£
Depreciation (note 9)	29,395	16,341
Auditors' remuneration	<u>12,000</u>	<u>12,000</u>

4 **STAFF COSTS**

Employee costs during the year:

Wages and salaries	273,632	208,630
Social security costs	31,124	28,611
Other pension costs	<u>32,457</u>	<u>45,249</u>
	<u>337,213</u>	<u>282,490</u>

The average number of persons employed (including directors) during the year was - office and management

<u>Number</u>	<u>Number</u>
<u>16</u>	<u>16</u>

(continued)

JUPITER TAR BUTT LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 1988

(continued)

4	STAFF COSTS (continued)	1988 £	1987 £
	Directors' remuneration	141,000	107,666
	Management remuneration	14,530	19,250
	Pension contributions	5,923	2,119
	Estimated benefits in kind	<u>161,453</u>	<u>129,035</u>
	The emoluments, excluding pension contributions, of the chairman were	<u>39,125</u>	<u>24,750</u>
	The emoluments, excluding pension contributions, of the highest paid director were	<u>39,125</u>	<u>29,500</u>
	The emoluments, excluding pension contributions, of the other directors fell within the following ranges:	<u>Number</u>	<u>Number</u>
	£0 - £5,000	4	4
	£20,001 - £25,000	1	1
	£25,001 - £30,000	-	1
	£35,001 - £40,000	<u>2</u>	<u>-</u>
5	INTEREST PAYABLE	£	£
	Loan stock	-	1,250
	Bank overdraft	345	25,161
	Other	-	7,580
		<u>345</u>	<u>33,991</u>
6	EXCEPTIONAL ITEMS		
	Compensation for termination of administration agreement	-	25,000
	Profit on disposal of leasehold property	-	100,000
	Excess cost on redemption of Convertible Unsecured Loan Stock	<u>-</u>	<u>(50,000)</u>
		<u>-</u>	<u>75,000</u>

(continued)

JUPITER TARBUTT LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 1988

(continued)

7	TAXATION	<u>1988</u> £	<u>1987</u> £
	Based on profit for the year:		
	UK corporation tax at 35% (1987 - 35%)	143,913	78,800
	Deferred taxation	(3,161)	24,600
	Prior year adjustment	<u>140,752</u>	<u>3,084</u>
			<u>106,484</u>

8	DIVIDEND	<u>12,000</u>	<u>6,000</u>
	Proposed dividend		

9	TANGIBLE FIXED ASSETS	<u>Short leasehold property</u> £	<u>Furniture and equipment</u> £	<u>Motor vehicles</u> £	<u>Total</u> £
	<u>Group</u>				
	<u>Cost</u>				
	At 30 June 1987	-	56,644	23,972	80,616
	Additions	<u>43,375</u>	<u>26,478</u>	<u>25,433</u>	<u>95,286</u>
	At 30 June 1988	<u>43,375</u>	<u>83,122</u>	<u>49,405</u>	<u>175,902</u>
	<u>Depreciation</u>				
	At 30 June 1987	-	16,532	13,375	29,907
	Charge for the year	<u>2,708</u>	<u>14,566</u>	<u>12,121</u>	<u>29,395</u>
	At 30 June 1988	<u>2,708</u>	<u>31,098</u>	<u>25,496</u>	<u>59,302</u>
	<u>Net book value</u>				
	At 30 June 1988	<u>40,667</u>	<u>52,024</u>	<u>23,909</u>	<u>116,600</u>
	At 30 June 1987	<u>-</u>	<u>40,112</u>	<u>10,597</u>	<u>50,709</u>

(continued)

JUPITER TARBUTT LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 1988

(continued)

9 TANGIBLE FIXED ASSETS (continued)

<u>Company</u>	<u>Short leasehold property</u>	<u>Furniture and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£	£
<u>Cost</u>				
Acquisitions from group companies	37,873	48,353	69,579	155,807
Additions	<u>5,500</u>	<u>1,052</u>	<u>13,543</u>	<u>20,095</u>
At 30 June 1988	<u>43,375</u>	<u>49,405</u>	<u>83,122</u>	<u>175,902</u>
<u>Depreciation</u>				
From group companies	1,262	23,437	28,293	52,992
Charge for the period	<u>1,446</u>	<u>2,059</u>	<u>2,805</u>	<u>6,310</u>
At 30 June 1988	<u>2,708</u>	<u>25,496</u>	<u>31,098</u>	<u>59,302</u>
<u>Net book value</u>				
At 30 June 1988	<u>40,667</u>	<u>23,909</u>	<u>52,024</u>	<u>116,600</u>

10 INVESTMENT IN SUBSIDIARIES

At 30 June 1987

Acquisitions in year:

From Jupiter Asset Management Limited -
Jupiter Unit Trust Managers Limited

50,000

From Tarbutt and Company Limited -
Tarbutt (Nominees) Limited

100
350,100

At 30 June 1988

(continued)

JUPITER TARBUTT LIMITED AND SUBSIDIARY COMPANIESNOTES TO THE FINANCIAL STATEMENTSYear ended 30 June 1988

(continued)

10 INVESTMENT IN SUBSIDIARIES (continued)

Investment in subsidiary companies is stated at cost or at the nominal value of shares issued and transferred in exchange for the shares in subsidiaries acquired. The subsidiary companies of the group are shown below. All subsidiaries are wholly owned and are incorporated in Great Britain.

Trading:

Jupiter Unit Trust Managers Limited

Jupiter Asset Management Limited (to 29 April 1988)

Tarbutt and Company Limited (to 29 April 1988)

Non-trading:

Tarbutt (Nominees) Limited

11 CURRENT ASSETS - INVESTMENTS

	<u>1988</u>	<u>1987</u>
	£	£
Quoted investments	-	515
Other investments	-	2,000
	<u>-</u>	<u>2,515</u>

12 DEBTORS

	<u>The group</u>		<u>The company</u>	
	<u>1988</u>	<u>1987</u>	<u>1988</u>	<u>1987</u>
	£	£	£	£
Trade debtors	870,590	1,717,975	809,245	-
Other debtors	64,252	168,086	59,059	-
Prepayments and accrued income	107,904	38,059	107,904	-
Dividend receivable	-	-	6,600	6,000
Deferred asset - advance corporation tax recoverable (note 14)	4,000	-	4,000	2,219
	<u>1,046,746</u>	<u>1,924,120</u>	<u>986,808</u>	<u>8,219</u>

(continued)

JUPITER TARBUTT LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 1988

(continued)

13	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	The group		The company	
		<u>1988</u>	<u>1987</u>	<u>1988</u>	<u>1987</u>
		£	£	£	£
	Trade creditors	4,363,290	4,917,139	4,286,472	-
	Amounts due to subsidiaries	-	-	637,762	-
	Current corporation tax	231,097	128,960	209,508	2,219
	Other taxes and social security costs	89,565	35,170	89,565	-
	Proposed dividend	12,000	6,000	12,000	6,000
	Other creditors	40,781	88,103	40,781	-
	Accruals and deferred income	<u>136,764</u>	<u>77,879</u>	<u>51,402</u>	<u>-</u>
		<u>4,873,497</u>	<u>5,253,251</u>	<u>5,327,490</u>	<u>8,219</u>
14	PROVISIONS FOR LIABILITIES AND CHARGES				
Deferred taxation:					
The amount provided represents the full potential liability to deferred taxation at 35%					
	Other timing differences	-	35,000	-	-
	Advance corporation tax (note 12)	<u>4,000</u>	<u>(2,219)</u>	<u>4,000</u>	<u>(2,219)</u>
		<u>4,000</u>	<u>32,781</u>	<u>4,000</u>	<u>(2,219)</u>
15	SHARE CAPITAL				
				<u>1988</u>	<u>1987</u>
				£	£
	Authorised, allotted and fully paid 300,000 ordinary shares of £1 each			<u>300,000</u>	<u>300,000</u>