

BROADGATE INVESTMENT MANAGEMENT LIMITED
(Registered number 2379632)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 1995



BROADGATE INVESTMENT MANAGEMENT LIMITED

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 1995

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BROADGATE INVESTMENT MANAGEMENT LIMITED

Directors' Report

The directors present their report and the financial statements for the year ended 31 December 1995.

1. Activities

The Company's principal activity is investment management.

2. Review of the business and future developments

The results for the year are set out in the profit and loss account on page 5 of the financial statements. A loss of £109,000 (1994:loss £65,000) has been transferred to reserves.

The Company's current activity is expected to continue for the foreseeable future.

3. Directors

The directors of the Company during the year ended 31 December 1995 or at the date of this report were:

J L J Kenneally

J D Webb

A N Whitney

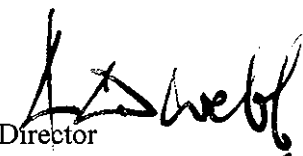
Resigned 21 December 1995

None of the directors had any beneficial or other interests requiring disclosure under the Companies Act 1985 in the shares of the Company or the shares of any subsidiary company in the ABN AMRO UK Holdings Limited Group.

4. Dividend

The directors do not recommend the payment of a dividend (1994:£nil)

Approved by the Board and signed on its behalf


Director

BROADGATE INVESTMENT MANAGEMENT LIMITED

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; 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 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 Companies Act. 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.

BROADGATE INVESTMENT MANAGEMENT LIMITED

REPORT OF THE AUDITORS, ERNST & YOUNG TO THE MEMBERS OF BROADGATE INVESTMENT MANAGEMENT LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3 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 financial statements and to report our opinion to you.

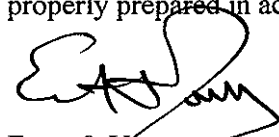
Basis of opinion

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, 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 of the state of affairs of the Company as at 31 December 1995 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants

Registered Auditor

19 APR 1996

BROADGATE INVESTMENT MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 1995

	Notes	1995 £'000	1994 £'000
Turnover	2	1,736	1,422
Administrative expenses	3	<u>(1,855)</u>	<u>(1,465)</u>
Loss on ordinary activities before taxation		(119)	(43)
Taxation	7	<u>10</u>	<u>(22)</u>
Loss on ordinary activities after taxation		<u><u>(109)</u></u>	<u><u>(65)</u></u>

The above profit and loss account also represents the Company's statement of total recognised gains and losses as required by Financial Reporting Standard 3.

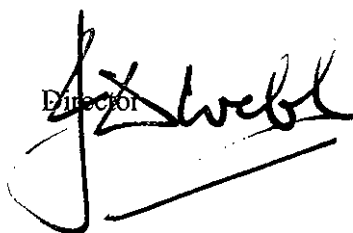
The notes on pages 8 to 11 form an integral part of these financial statements.

BROADGATE INVESTMENT MANAGEMENT LIMITED

BALANCE SHEET AT 31 DECEMBER 1995

	Notes	1995 £'000	1994 £'000
Current Assets			
Debtors	8	1,138	1,254
Creditors: amounts falling due within one year	10	<u>(720)</u>	<u>(727)</u>
Net assets		<u>418</u>	<u>527</u>
Capital and reserves			
Called up share capital	11	1,000	1,000
Profit and loss account	12	<u>(582)</u>	<u>(473)</u>
		<u>418</u>	<u>527</u>

The financial statements were approved by the Board of Directors on 19 April 1996 and signed on its behalf by:

Director 

BROADGATE INVESTMENT MANAGEMENT LIMITED

STATEMENT OF CASH FLOWS

For year ended 31 December 1995

	Notes	1995 £'000	1994 £'000
Net cash (outflow) from operating activities	4	<u>0</u>	<u>(832)</u>
Net cash (outflow) before financing		<u>0</u>	<u>(832)</u>
Financing			
(Decrease) in cash and cash equivalents	9	<u>0</u>	<u>(832)</u>
		<u>0</u>	<u>(832)</u>

BROADGATE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1995

1. *Principal accounting policies*

The financial statements are prepared in accordance with applicable accounting standards.

(a) *Basis of preparation*

The financial statements have been prepared in accordance with the historical cost convention.

(b) *Management fees*

Management fees are recognised on an accruals basis. Fees received on the establishment of a fund are amortised over the period in which the related set up costs are incurred.

2. *Turnover*

Turnover represents management fees earned during the year.

3. *Administrative expenses*

Administrative expenses comprise direct costs including licence fees plus expenditure recharged by the group service company for central costs and overheads. This includes auditor's remuneration which is paid by Hoare Govett Services Limited and disclosed in the financial statements of that company.

4. *Reconciliation of trading result with net cash flow from operating activities:*

	1995 £'000	1994 £'000
Operating loss	(119)	(43)
Decrease/(increase) in debtors	116	(1,081)
Increase in creditors	<u>3</u>	<u>292</u>
Net cash flow from continuing operating activities	<u>0</u>	<u>(832)</u>

BROADGATE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 1995

	1995 £'000	1994 £'000
5. Directors' remuneration		
Directors' emoluments (including pension contributions)	<u>424</u>	<u>1,083</u>
Emoluments (excluding pension contributions) of the highest paid director	<u>220</u>	<u>621</u>
Directors' emoluments (excluding pension contributions) fell within the following bands:		
	1995 No.	1994 No.
£nil - £5,000	1	
£70,001 - £75,000		1
£125,001 - £130,000		1
£175,001 - £180,000	1	
£185,001 - £190,000		1
£220,001 - £225,000	1	
£620,001 - £625,000		1

The directors' remuneration disclosed above is the total remuneration paid to the individual directors of this company for services to the company.

6. Employees

The Company did not have any direct employees during the year (1994:none).

7. Taxation on ordinary activities

	1995 £'000	1994 £'000
(Receipt) / payment for group relief	<u>(10)</u>	<u>22</u>

8. Debtors

	1995 £'000	1994 £'000
Investment management fees receivable	366	278
Amounts owed by fellow subsidiary undertakings	<u>772</u>	<u>976</u>
	<u>1,138</u>	<u>1,254</u>

BROADGATE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 1995

9. *Cash at bank and cash equivalents*

	1995 £'000	1994 £'000
Cash at bank	<u>0</u>	<u>0</u>
(Decrease) in cash equivalents	<u>0</u>	<u>(832)</u>

10. *Creditors: amounts falling due within one year*

	1995 £'000	1994 £'000
Amounts owed to parent and fellow subsidiary undertakings	647	288
Deferred income	-	300
Other taxation and social security	12	72
Other creditors	<u>61</u>	<u>67</u>
	<u>720</u>	<u>727</u>

11. *Share Capital*

	1995 £'000	1994 £'000
Authorised		
2,000,000 ordinary £1 shares	<u>2,000</u>	<u>2,000</u>
Issued, called up and fully paid		
1,000,000 ordinary £1 shares	<u>1,000</u>	<u>1,000</u>

12. *Reconciliation of shareholders' funds and movements on reserves*

	Share capital £'000	Profit & loss account £'000	Total £'000
At 1 January 1994	1,000	(408)	592
Loss for the year	-	<u>(65)</u>	<u>(65)</u>
At 31 December 1994	1,000	(473)	527
Loss for the year	-	<u>(109)</u>	<u>(109)</u>
At 31 December 1995	<u>1,000</u>	<u>(582)</u>	<u>(418)</u>

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 1995

13. *Ultimate parent undertaking*

The ultimate parent undertaking of the Company which presents group financial statements in which the Company is included is ABN AMRO Holding NV, a company incorporated in the Netherlands. Group financial statements are available from ABN AMRO Holding NV, PO Box 600, 1000 AP Amsterdam, The Netherlands.