

THSP LIMITED

(English Register Number: 3152142)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2001



THSP LIMITED

REPORT OF THE DIRECTORS

The Directors submit their report and the audited consolidated accounts of the Company and its subsidiary for the year ended 31 March 2001

Activities

The current activity of the Company is that of an investment holding company. Taube Hodson Stonex Partners Limited is a 100% owned subsidiary and provides investment and advisory management services. During the year the Company purchased 100% of the share capital of THSP Management Company Limited (formerly J. Rothschild Fund Managers Limited), which provides management of an unauthorised Unit Trust.

Results and Dividends

The profit for the year after taxation was £746,000 (2000: £157,000). No dividend was recommended in the year to 31 March 2001. (2000: £ Nil)

Review of Business and Future Developments

The Company and the Group have continued to trade at a satisfactory level during the year and is expected to do so in the future.

Directors

The directors during the year were:

JHW Hodson	
CH Stonex	
NO Taube	
Sir PM Williams	(resigned 30 June 2000)

Directors' Interests

The directors have the following beneficial interests in shares of the Company:

	<u>Ordinary Shares of £1 each</u>	
	<u>31 March 2001</u>	<u>31 March 2000</u>
	<u>Fully Paid</u>	<u>Fully Paid</u>
JHW Hodson	45,000	52,500
CH Stonex	45,000	30,000
NO Taube	45,000	52,500

THSP LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Statement of Directors' Responsibilities

The directors have prepared financial statements for the financial year which give a true and fair view of the state of affairs of the group and of the profit or loss for that period. 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 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 group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Charitable Donations

During the year the company donated the following amounts to charities: £15,000 to the SJP/JRA Foundation, £1,930 to Crisis, £1,000 to Juvenile Diabetes Foundation and £295 to the Emergency Services Charity support.

Auditors

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

By order of the Board



A. French
Secretary

13th July 2001

REPORT OF THE AUDITORS

TO THE MEMBERS OF

THSP LIMITED

We have audited the financial statements on pages 4 to 18 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on pages 8 and 9.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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' remuneration and transactions is not disclosed.

Basis of audit 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 and the Group as at 31 March 2001 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Francis Ke-hung Leung

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London

13 July 2001

THSP LIMITED

CONSOLIDATED PROFIT FOR THE YEAR ENDED 31 MARCH 2001

	<u>Notes</u>	<u>Year ended 31 March 2001</u>	<u>Year ended 31 March 2000</u>
		<u>£'000</u>	<u>£'000</u>
Turnover		10,483	7,649
Cost of sales		<u>(1,484)</u>	<u>(5,133)</u>
Gross Profit		8,999	2,516
Administrative expenses		(7,808)	(2,354)
Other operating income		<u>16</u>	<u>65</u>
Operating Profit	2	1,207	227
Interest receivable and similar income		92	130
Amounts written off investments	8	(91)	0
Interest payable and similar charges		<u>(1)</u>	<u>(8)</u>
Profit on ordinary activities before taxation		1,207	349
Taxation on profit on ordinary activities	5	<u>(461)</u>	<u>(192)</u>
Retained profit for the financial year		<u>746</u>	<u>157</u>

The activities of the Company are derived from continuing activities.

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

There is no difference between the results as reported and the results that would have been reported on an unmodified historical cost basis. Accordingly, no note of historical profits and losses has been included in these accounts.

The notes on pages 8 to 18 form part of these accounts

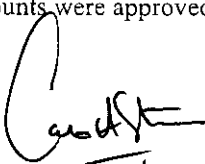
THSP LIMITED

CONSOLIDATED BALANCE SHEET AT 31 MARCH 2001

	<u>Notes</u>	<u>31 March 2001</u>	<u>31 March 2000</u>
		£'000	£'000
Fixed Assets:			
Intangible fixed assets	6	162	213
Tangible fixed assets	7	428	51
Investments	8	422	334
		<hr/> 1,012	<hr/> 598
Current Assets:			
Debtors:	9	455	299
Cash at bank		2,902	2,072
		<hr/> 3,357	<hr/> 2,371
Creditors: Amounts falling due within one year	10	(1,508)	(981)
		<hr/>	<hr/>
Net current assets		1,849	1,390
Creditors: Amounts falling due after one year	11	(127)	0
		<hr/>	<hr/>
Net Assets		<hr/> <hr/> 2,734	<hr/> <hr/> 1,988
Capital and Reserves			
Called up share capital	15	135	135
Capital redemption reserve	16	715	715
Profit and loss account	16	1,884	1,138
		<hr/>	<hr/>
Equity Shareholders' Funds		<hr/> <hr/> 2,734	<hr/> <hr/> 1,988

The accounts were approved by the Board of Directors on 13th July 2001 and are signed on the Board's behalf by:

Director



The notes on pages 8 to 18 form part of these accounts.

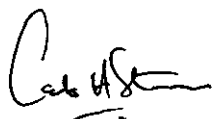
THSP LIMITED

COMPANY BALANCE SHEET AT 31 MARCH 2001

	<u>Notes</u>	<u>31 March 2001</u>	<u>31 March 2000</u>
		£'000	£'000
Fixed Assets:			
Shares in subsidiary undertaking	8	1,290	1,048
Investments	8	419	334
		<hr/> 1,709	<hr/> 1,382
Current Assets:			
Debtors	9	300	200
Cash at bank		50	96
		<hr/> 350	<hr/> 296
Creditors: Amounts falling due within one year	10	(80)	(6)
		<hr/>	<hr/>
Net Current Assets		270	290
		<hr/>	<hr/>
Creditors: Amounts falling due after one year	11	(127)	0
		<hr/>	<hr/>
Net Assets		<hr/> <hr/> 1,852	<hr/> <hr/> 1,672
Capital and Reserves			
Called up share capital	15	135	135
Capital redemption reserve	16	715	715
Profit and loss account	16	1,002	822
		<hr/>	<hr/>
Equity Shareholders' Funds		<hr/> <hr/> 1,852	<hr/> <hr/> 1,672

The accounts were approved by the Board of Directors on
by:

Director



13 July 2001 and are signed on the Board's behalf

The notes on pages 8 to 18 form part of these accounts

THSP LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

	Notes	Year ended 31 March 2001 £'000	Year ended 31 March 2000 £'000
Net cash inflow from operating activities	12	1,603	31
Returns on investments and servicing of finance			
Net interest received		91	122
Taxation		(289)	(537)
Capital Expenditure			
Payments to acquire tangible fixed assets		(463)	(19)
Acquisitions and Disposals			
Purchase of subsidiary undertakings		(65)	(582)
Cash acquired with Subsidiary		132	0
Net payments for Investments		(179)	(166)
Cash inflow/(outflow) before financing		<u>830</u>	<u>(1,151)</u>
Financing			
Redemption of ordinary shares		0	(180)
Increase/(decrease) in cash during the year	13	<u><u>830</u></u>	<u><u>(1,331)</u></u>

Reconciliation of consolidated net cash flow to movement in net funds

	Notes	Year Ended 31 March 2001 £'000	Year ended 31 March 2000 £'000
Increase/(decrease) in cash in the year		830	(1,331)
Change in net funds		830	(1,331)
Net funds at the beginning of the year		2,072	3,403
Net funds at the end of the year	13	<u><u>2,902</u></u>	<u><u>2,072</u></u>

The notes on pages 8 to 18 form part of these accounts

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Investment accounting policy

Shares in subsidiary undertakings in the balance sheet of the Company are shown at cost or cost less any provision for impairment in value.

Investments in unlisted companies are valued in accordance with the British Venture Capital Association (BVCA) guidelines. The Director's policy in valuing investments, in accordance with these guidelines, is to carry them at cost unless a value is indicated by a material arms-length transaction by a third party in the shares of the company.

Basis of consolidation

The consolidated financial statements include the results of the Company and the results of its subsidiaries Taube Hodson Stonex Partners Limited and THSP Management Company Limited.

Intra-group income and profits have been eliminated on consolidation and all income and profits relate to external transactions only.

Turnover

The turnover of the Group comprises fees, commission and other charges earned from providing investment fund management, investment advisory services and unit trust management services to clients. They are credited to the profit and loss account on an accruals basis.

Tangible fixed assets and depreciation

Tangible fixed assets are shown at cost less depreciation, which is calculated using the straight line method over the assets' useful lives as follows:

Computer hardware	3 years
Computer software	3 years
Leasehold Improvements	6 years
Office furniture	5 years
Software Licences	3 years

Intangible fixed assets and amortisation

Goodwill is shown as the excess of the cost of acquisition subsidiary undertakings over the fair value of net assets acquired, less amortisation. Amortisation is calculated using the straight line method over the estimated useful economic life of the asset.

Foreign Currencies

Transactions denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transaction. Balances denominated in foreign currency are translated into sterling at the exchange rates ruling on the balance sheet date. All exchange differences arising are dealt with in the Profit and Loss account.

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided or credited using the liability method on timing differences to the extent that they are expected to reverse in the foreseeable future and is calculated at the rate at which it is estimated that taxation will be payable or refunded.

Pensions

The Company contributes to employees personal pension plans amounts equal to a percentage of basic salary. There is no occupational pension scheme.

Leased Assets

Rentals payable under operating leases are charged to the profit and loss account as incurred over the lease term.

2. Operating profit

Operating profit is stated after charging:

	<u>Year ended</u> <u>31 March 2001</u>	<u>Year ended</u> <u>31 March 2000</u>
	£'000	£'000
Depreciation and Amortisation	303	330
Operating lease	203	95
Auditors' remuneration		
Audit fees	25	18
Non Audit fees	8	0
	<hr/>	<hr/>

3. Staff Numbers and Costs

	<u>Year ended</u> <u>31 March 2001</u>	<u>Year ended</u> <u>31 March 2000</u>
	£'000	£'000
Wages and salaries	6,171	1,163
Social security costs	179	107
Pension costs	79	55
	<hr/>	<hr/>
	6,429	1,325
	<hr/>	<hr/>

The average number of employees (including Directors) during the year to 31 March 2001 was 14 (2000:15)

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

4. Directors' Emoluments

Directors' emoluments paid in respect of the services of the directors to the company amounted to £Nil (2000: £Nil).

Directors' emoluments paid by the subsidiary of the company, in respect of services of the directors to the subsidiary are as follows:

	<u>31 March 2001</u> £'000	<u>31 March 2000</u> £'000
Aggregate Emoluments	4,833	218
Sums paid to third parties for Directors' services	1,464	5,093
	<hr/> 6,297 <hr/>	<hr/> 5,311 <hr/>

The highest paid director's compensation amounted to £2,101,404 (2000: £1,867,295)

The company made no contribution to a money purchase pension scheme on behalf of the directors. The directors' emoluments are paid in respect salaries, bonuses and investment management contracts that existed with the company and are disclosed in note 18.

5. Taxation on profit on ordinary activities

The charge for taxation comprises:

	<u>Year ended</u> <u>31 March 2001</u> £'000	<u>Year ended</u> <u>31 March 2000</u> £'000
UK corporation tax at 30% (2000 – 30%)	467	202
Prior year tax adjustments	(6)	(10)
	<hr/> 461 <hr/>	<hr/> 192 <hr/>

6. Intangible fixed assets-Group

Goodwill

	<u>Year ended</u> <u>31 March 2001</u> £'000
Carrying value	
At 1 April 2000	778
Increase in year (see note 14)	165
At 31 March 2001	<hr/> 943 <hr/>

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

	Year ended 31 March 2001
Accumulated amortisation	
At 1 April 2000	565
Charge in year	216
At 31 March 2001	781
Net book value:	
31 March 2001	162
31 March 2000	213

Current intangible assets are comprised of goodwill, which arose upon the acquisition at 28 February 2001 of THSP Management Company Limited. Prior years included the purchase on 31 December 1997 of Taube Hodson Stonex Partners Limited that was subsequently increased in value as described in note 14.

7. Tangible fixed assets

	Computer Equipment £'000	Company and Group Office Fittings £'000	Leasehold Improvements £'000	Software Licenses £'000	Total £'000
Cost:					
At 1 April 2000	93	14	0	0	107
Additions	66	86	237	78	467
Disposals	0	(4)	0	0	(4)
At 31 March 2001	159	96	237	78	570
Accumulated depreciation:					
At 1 April 2000	49	7	0	0	56
Charge in period	39	11	22	15	87
Disposals	0	(1)	0	0	(1)
At 31 March 2001	88	17	22	15	142
Net book value:					
At 31 March 2001	71	79	215	63	428
At 31 March 2000	44	7	0	0	51

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

8. Investments – Group

	<u>Year ended</u> <u>31 March 2001</u> £'000
At 1 April 2000	334
Additions during the year	179
Amounts written off investments	(91)
At 31 March 2001	<u>422</u>

Investments – Company

	<u>Year ended</u> <u>31 March 2001</u> £'000	<u>Year ended</u> <u>31 March 2000</u> £'000
Shares in Subsidiary undertakings		
Taube Hodson Stonex Partners Limited	1,048	1,048
THSP Management Company Limited	242	0
At 31 March	<u>1,290</u>	<u>1,048</u>

	<u>Year ended</u> <u>31 March 2001</u> £'000
Other Investments	
At 1 April 2000	334
Additions during the year	176
Amounts written off investments	(91)
At 31 March 2001	<u>419</u>

These other investments, made by the company, are long-term investments in works of art, Safehouse International, BrightLane.com (formerly Missouri Holdings), Directo Inc and FCC Holdings, the majority of which are non-related financial service companies. Investments are valued at cost less impairment writedown.

In the year ended 31 March 2001, two investments were written down in value.

The value of Brightlane.Com was written down by £46,000. The terms of an agreed takeover of this company, which is due to be completed in July 2001, will result in the allocation of shares in Teamstaff Inc, the acquiring company, which are quoted on a recognised exchange. The investment has been written down to reflect the market value of the shares to be acquired.

The value of FCC Holdings was written down by £45,000. A recent announcement by the OECD, declared that future strategy shall seek to limit the growth of offshore investment business. The investment has been revalued as a result of the potential impact that this may have on the business of FCC Holdings.

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

9. Debtors

	31 March 2001		31 March 2000	
	Group	Company	Group	Company
	£'000	£'000	£'000	£'000
Trade debtors	178	0	133	0
Other debtors	10	0	10	0
Amount due from subsidiary undertaking	0	300	0	200
Prepayments and accrued income	267	0	156	0
	455	300	299	200

10. Creditors: amounts due within one year

	31 March 2001		31 March 2000	
	Group	Company	Group	Company
	£'000	£'000	£'000	£'000
Corporation tax and Social Security payable	326	0	132	0
Other creditors	294	12	74	0
Accruals and deferred income	850	30	775	6
Deferred consideration due on acquisition of subsidiary (note 14)	38	38	0	0
	1,508	80	981	6

11. Creditors: amounts due after one year

	31 March 2001		31 March 2000	
	Group	Company	Group	Company
	£'000	£'000	£'000	£'000
Deferred consideration due on acquisition of subsidiary (note 14)	127	127	0	0
	127	127	0	0

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

12. Reconciliation of consolidated operating profit to consolidated net cash inflow from operating activities

	<u>Year Ended</u> <u>31 March 2001</u>	<u>Year Ended</u> <u>31 March 2000</u>
	<u>£'000</u>	<u>£'000</u>
Operating profit	1,207	227
Depreciation, amortisation and provisions	356	330
Decrease in debtors	(122)	76
Decrease in creditors	162	(602)
	<hr/>	<hr/>
Net cash inflow from operating activities	<u>1,603</u>	<u>31</u>

13. Analysis of Net Funds

	<u>At 31 March 2000</u>	<u>Cash Flows</u>	<u>At 31 March 2001</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Cash at bank and in hand	2,072	830	2,902
	<hr/>	<hr/>	<hr/>
	<u>2,072</u>	<u>830</u>	<u>2,902</u>

14. Acquisition of Taube Hodson Stonex Partners Limited (formerly J. Rothschild Investment Management Limited)

On 31 December 1997 a wholly owned subsidiary, was acquired for its net asset value.

The fair value, which is equivalent to the book value of Taube Hodson Stonex Partners Limited's identifiable net assets and liabilities, and the estimated consideration at the date of acquisition, was as follows:

	<u>Fair value to</u> <u>Group</u> <u>£'000</u>
Net assets acquired:	
Debtors	714
Cash at bank and in hand	457
Creditors	(901)
Goodwill on acquisition	628
	<hr/>
	<u>898</u>
 Satisfied by:	
Cash	118
Deferred consideration	780
	<hr/>
	<u>898</u>

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

The deferred consideration, payable in two annual amounts due on 31 December 1998 and 31 December 1999, was valued on a discounted basis. As a result of the performance of Taube Hodson Stonex Partners Limited, the deferred consideration increased by £150,000. As a result, the carrying value of the investment in the subsidiary undertaking, in the company accounts and the goodwill, in the group accounts, was increased.

The excess of the fair value of the consideration over the fair value of net assets acquired was recorded in the Group's balance sheet as goodwill. This was amortised on a straight line basis for a period of three years from the date of acquisition. Any change, due to the performance of the Company, in the goodwill, was also amortised over the remaining useful life. This represented, what at the time of purchase, was the minimum termination period of the underlying investment management agreements between Taube Hodson Stonex Partners Limited and J Rothschild Holdings Limited. As at March 31 2001, the cost of goodwill has been amortised to nil.

Acquisition of THSP Management Company Limited (formerly J. Rothschild Fund Managers Limited)

On 28 February 2001 THSP Management Company Limited, a wholly owned subsidiary, was acquired for its net asset value.

The fair value, which is equivalent to the book value of THSP Management Company Limited's identifiable net assets and liabilities, and the estimated consideration at the date of acquisition was as follows:

	<u>Fair value to</u> <u>Group</u> <u>£'000</u>
Net assets acquired:	
Debtors	35
Cash at bank and in hand	132
Creditors	(90)
Goodwill on acquisition	165
	<u>242</u>
 Satisfied by:	
Cash	65
Short term creditor	12
Deferred consideration	165
	<u>242</u>

The deferred consideration, is payable in four annual amounts due on 31 March 2002, 2003, 2004 & 2005, has been valued on a discounted basis. The deferred consideration is calculated upon the future NAV of the bid value of the THS International Exempt Unit Trust at the four future payment dates. Therefore, should the performance of the Trust fluctuate from its estimated performance, the future consideration will also change accordingly. As a result, the carrying value of the investment in the subsidiary undertaking, in the company accounts and the goodwill, in the group accounts, may be increased or decreased.

The excess of the cost of the consideration over the value of net assets acquired has been recorded in the Group's balance sheet as goodwill. Goodwill is being amortised on a straight line basis for a period of four years and one month from the date of acquisition. As a result any future change in the goodwill, will also, together with the remaining unamortised goodwill, be amortised over the remaining useful life.

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

15. Share capital

	<u>31 March 2001</u>	<u>31 March 2000</u>
	<u>£'000</u>	<u>£'000</u>
Authorised:		
200,000 ordinary shares of £1 each	200	200
Allotted issued, and fully paid:		
135,000 ordinary shares of £1 each	135	135

16. Reconciliation of movements in reserves

	<u>Profit and Loss Account</u>	<u>Capital Redemption Reserve</u>
	<u>£'000</u>	<u>£'000</u>
Group		
At 31 March 2000	1,138	715
Retained profit for the financial year	746	0
Transfer on redemption of ordinary shares	0	0
At 31 March 2001	1,884	715
Company		
At 31 March 2000	822	715
Retained profit for the financial year	180	0
Transfer on redemption of ordinary shares	0	0
At 31 March 2001	1,002	715

17. Profit of the Company

As permitted by section 230 of the Companies Act 1985, a separate profit and loss account for the Company is not required. The profit for the year after tax dealt with in the accounts of the Company amounted to £180,000 (2000: £593,000).

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

18. Related party transactions

a) The Company retained the services of Mr. N O Taube, Mr. J H W Hodson and Mr. C H Stonex up to June 30 2000, under the following investment management service agreements:

Investment manager	Date of agreement	Fee basis	Fee charged in period	
			31 March 2001 £'000	31 March 2000 £'000
N O Taube	July 1998	19.25% of annual pre tax income or such other sum which may be agreed.	490	1,768
J H W Hodson	July 1998	19.25% of annual pre tax income or such other sum which may be agreed.	490	1,768
C H Stonex	July 1998	11.0% of annual pre tax income or such other sum which may be agreed.	485	1,010
J E M Haynes	July 1998	5.5% of annual pre tax income or such other sum which may be agreed.	0	354

The Directors were appointed employees of the Firm in July 2000. Previous to this they were employed by their service companies that provided their services to the Firm.

There was no maximum amount, which each individual may have claimed in fees. There were no amounts outstanding at year-end.

b) The Company ('THS') provides investment management services to Taube Hodson Stonex Partners Unit Trust Management Company Limited ('TMCL') under delegate investment management agreements. The dates of these agreements are 7 July 1999 and 5 May 2000 (this replaced the original agreement dated 16 July 1996 and a supplemental agreement dated 8 April 1999).

Fees payable under these agreements equate to 0.25% of the value of the net assets of the Partners Fund and the Partners European Fund and 0.3% of the International Growth & Value Fund. The fees recognised in the profit and loss account for the period ended 31 March 2001 in respect of these agreements amounted to £285,060 of which £15,537 was due from TMCL at 31 March 2001

c) The Company provides the investment management services of Taube Hodson Stonex Partners Limited to THSP Management Company Limited, a wholly owned subsidiary. The investment management of the portfolio of the Taube Hodson Stonex International Exempt Unit Trust (previously called St. James's Place International Exempt Unit Trust) is delegated under an agreement dated 31 December 1991.

Fees payable under the agreement equate to 0.67% of the value of the net assets of the Trust. The fees recognised in the profit and loss account for the period ended 31 March 2001 in respect of these agreement amounted to £60,288. There were no amounts outstanding as at 31 March 2001

d) There were also service agreements, between the Company and Mr. NO Taube, Mr. JHW Hodson and Mr. CH Stonex in respect of the management of the portfolio of the Value Realisation Trust plc ("VRT"). These were terminated on 30 September 1999. These agreements were as follows:

THSP LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

Investment manager	Date of agreement	Fee basis	Fee charged in period	
			31 March 2001 £'000	31 March 2000 £'000
NO Taube	June 1996	0.100% of the value of the VRT portfolio.	0	96
JHW Hodson	June 1996	0.066% of the value of the VRT portfolio	0	63
CH Stonex	June 1996	0.034% of the value of the VRT portfolio	0	33

There were no amounts outstanding at year-end.

19. Reconciliation of Movements in Equity Shareholder's Funds

	Year ended 31 March 2001 £'000	Period ended 31 March 2000 £'000
Profit for the financial year	746	157
Shares repurchased	0	(180)
Net increase in equity shareholders funds	746	(23)
Opening equity shareholders funds	1,988	2,011
Closing equity shareholders funds	2,734	1,988

20. Operating Lease Commitments

The Company has entered into an operating lease to occupy its current premises. Operating lease commitments are as follows:

	Year ended 31 March 2001 £'000	Year ended 31 March 2000 £'000
Expiring within one year	-	-
Expiring between one and five years	-	95
Expiring between six and ten years	189	-