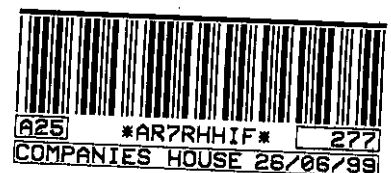


Company No:  
3568405

**DRESDNER RCM INCOME GROWTH INVESTMENT TRUST PLC**  
**INTERIM ACCOUNTS (unaudited)**  
**for the eleven month period ending 31st May 1999**



**Dresdner RCM Income Growth Investment Trust plc**

**REVENUE ACCOUNT**

**for the eleven months ending 31st May 1999**

		1999 £
<b>Income from Fixed Asset Investments</b>		
Franked dividends from UK equities		1,963,481
Foreign income dividends		262,660
UK fixed interest income		6,963
Overseas fixed interest income		7,890
		<hr/> 2,240,994
<b>Other Income</b>		
Deposit Interest		69,240
<b>Gross Revenue</b>		<hr/> 2,310,234
Investment Management fee	1	(89,664)
Administrative expenses	2	(48,191)
<b>Return before Finance costs and Taxation</b>		<hr/> 2,172,379
Finance costs of borrowing	3	(36)
<b>Return on Ordinary Activities before Taxation</b>		<hr/> 2,172,343
Taxation	4	(289,263)
<b>Return on Ordinary Activities after Taxation</b>		<hr/> 1,883,080
Dividends on Ordinary shares	5	(1,325,700)
<b>Transfer to Reserves</b>		<hr/> 557,380
Return per Ordinary Share	6	5.68p

The Notes on pages 3 to 6 form part of these accounts

Dresdner RCM Income Growth Investment Trust plc

**BALANCE SHEET**  
as at 31st May 1999

		1999 £	1999 £
<b>Fixed Assets</b>			
Investments	7		58,679,119
<b>Current Assets</b>			
Debtors	8	676,725	
Cash		855,301	
		<u>1,532,026</u>	
<b>Creditors</b>			
Amounts falling due in less than one year	8	<u>(1,177,139)</u>	
<b>Net Current Assets</b>			354,887
<b>Total Net Assets</b>			<u>59,034,006</u>
<b>Capital and Reserves</b>			
Called up Share Capital	9		7,657,065
Share Premium	10		49,485,214
Capital Reserves			
Realised	11	1,332,945	
Unrealised	11	<u>1,402</u>	
			1,334,347
Revenue Reserve	12		557,380
<b>Shareholders' Funds</b>	13		<u>59,034,006</u>

Approved by the Board of Directors on 24 June 1999 and signed on its behalf by:-



The Notes on pages 3 to 6 form part of these accounts

**Dresdner RCM Income Growth Investment Trust plc**

**STATEMENT OF ACCOUNTING POLICIES  
for the eleven months ending 31st May 1999**

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i) The accounts have been prepared under the historical cost convention, modified to include the revaluation of investments, and in accordance with the applicable accounting standards. The financial statements have been prepared under the requirements of S272 of the Companies Act.

ii) Income - equity dividends are accounted for on an ex-dividend basis and are grossed up at the appropriate rate of tax.

Deposit interest receivable is accounted for on an accruals basis.

Underwriting commission is recognised when the issue underwritten closes.

iii) Investment Management fee - The investment management fee is charged to revenue and capital in the ratio 30:70 to reflect the Company's investment policy and prospective income and capital growth.

iv) Valuation - Investments are included in the Balance Sheet at middle market prices and a Capital Reserve established to reflect differences between value and book cost. Unrealised differences between the value and book cost of investments at the period end are taken to the Unrealised Capital Reserve. Net gains and losses arising on realisation of investments are taken directly to the Realised Capital Reserve.

vi) Taxation - Where expenses are allocated between capital and revenue, any tax relief obtained in respect of those expenses is allocated between capital and revenue in the same proportion as the expenses are allocated, using the Company's effective rate of tax for the accounting period.

Deferred taxation, where applicable, is provided for on the liability method on all timing differences which are expected to crystallise in the foreseeable future, calculated at the rate at which it is estimated that the tax liability or asset will accrue.

**Dresdner RCM Income Growth Investment Trust plc**

**NOTES TO THE ACCOUNTS**  
for the eleven months ending May 1999

	1999 £	1999 £	1999 £
<b>1 Investment Management fee</b>	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>
Investment Management fee	89,664	209,216	298,880

The investment management fee is calculated quarterly at 0.5% per annum of total net assets.

<b>2 Administrative expenses</b>	1999 £
Banks' safe custody and other charges	567
Directors' fees	20,818
Other administrative expenses	26,806
	<u>48,191</u>

<b>3 Finance costs of borrowing</b>	1999 £
On bank overdraft	<u>36</u>

<b>4 Taxation</b>	1999 £
UK corporation tax	4,493
Tax credits on Franked Investment Income	284,770
	<u>289,263</u>

<b>5 Dividends on Ordinary shares</b>	1999 £
Dividends on Ordinary shares of 5p -	
First interim 1.20p paid 4th January 1999	397,710
Second interim 1.40p (0.9p Ordinary, 0.5p FID) paid 1st April 1999	463,995
Third interim 1.40p payable 1st July 1999	463,995
	<u>1,325,700</u>

<b>6 Return per Ordinary share</b>	1999 £
Return on Ordinary Activities after Taxation	<u>1,883,080</u>
Return per Ordinary share	5.68p

The Return per Ordinary share is based on 33,142,522 Ordinary shares in issue.

**Dresdner RCM Income Growth Investment Trust plc**

**NOTES TO THE ACCOUNTS (continued)  
for the eleven months ending 31st May 1999**

	1999 £
<b>7 Investments</b>	
Listed on the London Stock Exchange at market valuation	58,679,119
Market value of investments brought forward	-
Unrealised gains brought forward	-
Cost of investments brought forward	-
Additions at cost	87,595,379
Disposals at cost	(28,917,662)
Cost of investments at 31st May 1999	58,677,717
Unrealised gains at 31st May 1999	1,402
Market value of investments at 31st May 1999	58,679,119
<b>8 Debtors and Creditors</b>	1999 £
Debtors -	
Sales awaiting settlement	366,476
Accrued income	303,287
Other debtors	6,962
	676,725
Creditors - amounts falling due in less than one year	
Purchases for future settlement	(475,245)
Proposed dividends	(463,995)
Other creditors	(237,899)
	(1,177,139)
<b>9 Share Capital</b>	1999 £
Authorised	
145,000,000 Ordinary shares of 5p each	7,250,000
105,000,000 Zero Dividend Preference shares of 25p each	26,250,000
	33,500,000
Allotted and fully paid	
33,142,522 Ordinary shares of 5p each	1,657,126
23,999,757 Zero Dividend Preference shares of 25p each	5,999,939
	7,657,065
<b>10 Share Premium</b>	1999 £
On Ordinary share capital	31,485,396
On Zero Dividend Preference share capital	17,999,818
	49,485,214

**Dresdner RCM Income Growth Investment Trust plc**

**NOTES TO THE ACCOUNTS (continued)  
for the eleven months ending 31st May 1999**

	<b>1999</b>
	<b>£</b>
<b>11 Capital Reserves</b>	
Realised -	
Balance at 1st July 1998	-
Expenses on launch	(1,139,905)
Net gains and losses on realisation of investments	2,677,573
Investment Management fee	(209,216)
Add: attributable taxation	4,493
	(204,723)
Balance at 31st May 1999	<u>1,332,945</u>
Unrealised -	
Invested funds at 31st May 1999 -	
At valuation	58,679,119
At cost	(58,677,717)
Balance at 31st May 1999	<u>1,402</u>
<b>12 Revenue Reserve</b>	<b>1999</b>
	<b>£</b>
Balance at 1st July 1998	-
Revenue retained for the period	557,380
Balance at 31st May 1999	<u>557,380</u>
<b>13 Reconciliation of Movements in Shareholders' Funds</b>	<b>1999</b>
	<b>£</b>
<b>Distributable profits</b>	
Transferred to distributable reserves	557,380
<b>Non-distributable profits</b>	
Recognised capital gains and losses transferred to non-distributable reserves	1,334,347
<b>Financing</b>	
Issue of Ordinary shares	33,142,522
Issue of Zero Dividend Preference shares	23,999,757
Net increase in Shareholders' Funds	<u>59,034,006</u>
Opening Shareholders' Funds	-
Closing Shareholders' Funds	<u>59,034,006</u>