

CAPITAL HOUSE INVESTMENT

MANAGEMENT LIMITED

REPORT AND ACCOUNTS

30 SEPTEMBER 1993

COMPANY NUMBER: 1118580



CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

DIRECTORS' REPORT

The Directors present their Annual Report, together with the financial statements of the Company for the year ended 30 September 1993.

By an Elective Resolution dated 21 May 1991, the Company dispensed with the laying of accounts and reports before the Company in general meeting, in accordance with the provisions of Section 252 of the Companies Act 1985 (as amended).

Pursuant to Section 253 of that Act, Notice is hereby given THAT any member or auditor of the Company may by notice in writing deposited at the registered office of the Company before 31 July 1994 require that a general meeting be held for the purpose of laying the accounts and reports before the Company.

Principal Activities:

The profit and loss account for the year is set out on page 6.

The principal activity of the Company is unchanged from last year, and is investment management.

Review of Business:

Both the level of business and the year end financial position remain satisfactory, and the Directors expect that the present level of activity will be sustained for the foreseeable future.

In line with the group's policy of long-term expansion, the Company acquired the investment management business of Standard Chartered Equitor Limited during the year.

Following the re-organisation of the group on 1 October 1992.

- (1) Capital House Investments Limited acquired the share capital of the Company from The Royal Bank of Scotland plc.
- (2) The investment in a subsidiary undertaking, Capital House International Investment Management Limited, was transferred to another group company.

Future Developments:

The Directors do not foresee any significant changes in the nature of business conducted by the Company.

Results and Dividends:

The profit for the year after taxation was £373,000, (1992: profit £1,072,000).

No dividend has been paid in the year and none is proposed (1992: Nil).

The entire profits for the financial year will be transferred to reserves.

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

Post Balance Sheet Events:

In line with the Company's policy for long term expansion through the acquisition of soundly based companies, the Company acquired the whole share capital of Brown Shipley Unit Trust Managers Limited on 29 October 1993, together with certain other investment management business from Brown Shipley Holdings Limited. The name of this subsidiary undertaking was changed on 1 November 1993 to CH Unit Managers Limited.

No disclosure of the consideration has been made as this is considered to be commercially sensitive information.

Changes in Fixed Assets:

The movements in fixed assets during the year are set out in notes 8 to 10 to the financial statements. Motor vehicles disposed of have been replaced with leased motor vehicles.

Charitable Contributions:

During the year the Company made charitable contributions of £7,798, (1992: £6,225).

Directors:

The following persons served as Directors of the Company during the year:

G A Schofield (Resigned as Chairman and Director 23 April 1993)
T J Barker (Appointed 7 October 1993)
The Hon M D Benson (Appointed 12 November 1992)
A J Black (Appointed 23 April 1993)
R E Dellow
S D Dowds (Appointed 23 April 1993)
Sir Robin Duthie (Resigned as Deputy Chairman and Director
23 April 1993)
P M A Field (Appointed Chairman 23 April 1993)
K Fullerton (née O'Connor) (Appointed 23 April 1993)
D P Kidd (Resigned 30 June 1993)
K B McKenna (Appointed 7 October 1993)
R M Martin (Appointed 23 April 1993)
P M O'Loughlin (Appointed 7 October 1993)
M J Park (Appointed 23 April 1993)
C G Pearson (Resigned 23 April 1993)
J M Prince (Appointed 23 April 1993. Resigned 30 September 1993)
N M M Riddell (Resigned 16 March 1993)
J I W C Robertson (Resigned 5 May 1993)
R P A Tyer (Appointed 23 April 1993)
N G Watson (Resigned 25 June 1993)

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

Directors' Interests:

The following Directors were beneficially interested in the 25p ordinary shares of The Royal Bank of Scotland Group plc:

	<u>30 September 1993</u>	<u>1 October 1992 or Subsequent Date of Appointment</u>
	Shares	Shares
A J Black	5,647	7,641
R E Dellow	1,099	1,060
S D Dowds	3,358	3,358
P M A Field	7,648	7,348
R M Martin	369	366

Options to subscribe for ordinary shares of 25p each in The Royal Bank of Scotland Group plc granted to and exercised by Directors during the year to 30 September 1993 are included in the table below:

	<u>At 30 September 1993</u>	<u>Options Granted</u>	<u>Options Exercised</u>	<u>At 1 October 1992 or Subsequent Date of Appointment</u>		
		Number	Price	Number	Price	
A J Black	4,425	813	212p	-	-	3,612
R E Dellow	19,756	1,627	212p	-	-	18,129
S D Dowds	5,000	-	-	-	-	5,000
P M A Field	10,000	-	-	-	-	10,000
M J Park	532	-	-	-	-	532

No Director had an interest in any of the preference shares of The Royal Bank of Scotland Group plc during the year to 30 September 1993.

In addition, during that period none of the Directors held a beneficial interest in the loan capital of The Royal Bank of Scotland Group plc or in the shares or loan capital of any of the other subsidiaries of The Royal Bank of Scotland Group plc, including the Company.

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

Insurance of Directors:

The Company maintains insurance for its Directors in respect of their duties as directors.

Changes in Presentation of the Financial Statements:

Group accounts have not been prepared because the Company is itself a wholly-owned subsidiary of another body corporate, registered in Scotland.

Following the introduction of Financial Reporting Standard No 3 "Reporting Financial Performance", the required changes in the presentation of the financial statements have been made to conform with the new requirements.

- (a) Turnover and operating profits have been analysed with results from acquisitions during the year shown separately under continuing operations. There have been no discontinued operations during the year.
- (b) A reconciliation of movements in shareholders' funds has been prepared.
- (c) No Statement of Total Recognised Gains and Losses has been presented nor a note of Historical Cost Profits and Losses because the disclosure would not differ from the profit and loss account.

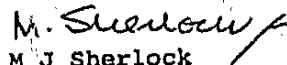
Auditors:

By an Elective Resolution dated 21 May 1991, the Company dispensed with the obligation to appoint auditors annually in accordance with the provisions of Section 386 of the Companies Act 1985 (as amended).

Directors' Responsibility:

The directors are required by UK company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for that period. In preparing the financial statements, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made. Applicable accounting standards have been followed. The directors are responsible for maintaining adequate accounting records, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities.

By order of the Board


M J Sherlock
Secretary

Dated: 18 November 1993

24 Chiswell Street
LONDON
EC1Y 4SP

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

AUDITORS' REPORT TO THE MEMBERS OF CAPITAL HOUSE INVESTMENT
MANAGEMENT LIMITED

We have audited the financial statements on pages 6 to 19.

Respective Responsibilities of Directors and Auditors:

As described on page 4 the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 the Company's affairs at 30 September 1993 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



COOPERS & LYBRAND

Chartered Accountants
Registered Auditors
Edinburgh

Dated: 18 November 1993

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 30 September 1993

	Notes	1993 £000	1992 £000
Turnover	2	10,013	9,873
Continuing Operations		1,050	-
Acquisitions			
		11,063	2,873
		(11,550)	(9,561)
Administrative Expenses			
Operating (Loss)/Profits	4	(1,176)	312
Continuing Operations		689	-
Acquisitions		(487)	312
Investment Income	5	1,152	756
Interest Receivable		196	316
Interest Payable	6	(152)	(227)
Amortisation of Goodwill	8	(597)	(66)
		112	1,091
Profit on Ordinary			
Activities before Taxation			
		261	(19)
Taxation	7		
Retained Profit for the	16	373	1,072
Year		=====	=====

There have been no discontinued operations during the year.

Neither a Statement of Total Recognised Gains and Losses nor a Note of Historical Cost Profits and Losses have been prepared because the information would not differ from that presented in the above profit and loss account.

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

**BALANCE SHEET
as at 30 September 1993**

	<u>Notes</u>	<u>1993</u> <u>£000</u>	<u>1992</u> <u>£000</u>
FIXED ASSETS			
Intangible assets	8	2,389	-
Tangible assets	9	1,646	1,661
Investments	10	721	2,821
		<hr/>	<hr/>
		4,756	4,482
CURRENT ASSETS			
Debtors	11	74,899	19,730
Investments	12	1,527	2,396
Cash at bank and in hand		2,502	1,802
		<hr/>	<hr/>
		78,928	23,928
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	(72,555)	(20,462)
		<hr/>	<hr/>
NET CURRENT ASSETS		6,373	3,466
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		11,129	7,948
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	17	10,300	7,300
Profit and loss account	16	829	648
		<hr/>	<hr/>
Shareholders' Funds	18	11,129	7,948
		<hr/>	<hr/>

The financial statements on pages 6 to 19 were approved by the Board of Directors on 18 November 1993.

P. C. Field

PAUL MICHAEL ANTONY FIELD
CHAIRMAN

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
30 September 1993

1 ACCOUNTING POLICIES

(a) Basis of Accounting:
The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom.

(b) Turnover:
Turnover includes fees and commission receivable for the provision of investment management services, interest receivable and dealing profits or losses.

(c) Goodwill:
Depending on the circumstances of each acquisition, purchased goodwill is either set off directly against reserves, amortised through the profit and loss account over the Directors' estimate of its useful life or a combination of the above.

(d) Fixed Asset Investments:
Investments in subsidiary undertakings are included in the balance sheet of the Company at cost.

(e) Tangible fixed assets and intangible fixed assets:
The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is provided to write off the cost less estimated residual values of all fixed assets in equal annual instalments over their expected useful lives using the following rates:

Improvements to leasehold property	10%
Furniture, Fixtures & Fittings	10%
Motor Vehicles	25%
Computer and Telecommunication equipment	33%

(f) Current Asset Investments:
Listed investments are stated at the lower of cost and market value, and unlisted investments at the lower of cost and directors' valuation.

(g) Deferred Taxation:
Provision has been made for the potential tax liability in respect of excess capital allowances over accumulated depreciation and other timing differences.

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

(h) Pension Costs:

The Company contributes to a defined benefit pension scheme which is contracted in to the state scheme. The scheme is valued every three years by professionally qualified independent actuaries, the rates of contribution payable being determined by the actuaries. In the intervening years, the actuaries review the continuing appropriateness of the rates.

In arriving at the operating profit, the costs of providing pensions are assessed and charged on a regular basis in accordance with the advice of independent professionally qualified actuaries.

(i) Finance & Operating Leases:

Costs in respect of operating leases are charged in arriving at the operating profit. There are no assets held under Finance leases.

(j) Foreign Currency:

Differences on exchange arising from the retranslation of the opening net investments in subsidiary companies are taken to reserves. All other foreign exchange differences are taken to the profit and loss account in the year in which they arise.

2	TURNOVER	1993 £000	1992 £000
	Turnover comprises:		
	Investment Management Services	10,034	8,456
	Net Interest Margins	930	1,383
	Trading Profits	99	34
		<hr/>	<hr/>
		11,063	9,873
		=====	=====

3 DIRECTORS AND EMPLOYEES

(a)	Average number of persons employed by the company during the year (including executive Directors):	1993 number	1992 number
	Investment Management and Dealing	84	78
	Securities and Administration	88	86
		<hr/>	<hr/>
		172	164
		=====	=====

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

	<u>1993</u> £000	<u>1992</u> £000
(b) Staff costs and directors' emoluments (for the above persons) included in Administrative Expenses are:		
Wages and Salaries	5,745	4,886
Social Security Costs	608	518
Other Pension Costs	514	815
	<u>6,867</u>	<u>6,219</u>
	=====	=====

	<u>1993</u> £000	<u>1992</u> £000
(c) Directors' emoluments including pension contributions and benefits in kind	1,394	927
Directors' fees	2	12
Compensation for loss of office	17	-
	<u>1,413</u>	<u>939</u>
	=====	=====

Particulars of fees and other emoluments (excluding pension contributions) include amounts paid to:

	£000	£000
The Chairman	49	-
	=====	=====
The Previous Chairman	-	12
	=====	=====
The Highest Paid Director	143	180
	=====	=====

The number of directors who received fees and other emoluments (excluding pension contributions) in the following ranges was:

	NUMBER	NUMBER
£0 - £5000	3	3
£10001 - £15000	-	1
£15001 - £20000	2	-
£20001 - £25000	2	-
£30001 - £35000	2	-
£35001 - £40000	1	-
£55001 - £60000	1	-
£70001 - £75000	-	1
£80001 - £85000	1	-
£95001 - £100000	1	-
£100001 - £105000	-	1
£110001 - £115000	1	1
£115001 - £120000	1	-
£130001 - £135000	-	1
£135001 - £140000	1	1
£140001 - £145000	1	-
£175001 - £180000	-	1

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

4 OPERATING PROFIT

	1993 £000	1992 £000
Operating profit is stated after charging:		
(a) Auditors' remuneration	22 =====	22 =====
(b) Amounts payable under operating leases	1,291 =====	1,045 =====
(c) Depreciation	514 =====	664 =====
(d) (Profit) on disposal of assets	(14) =====	(74) =====

5 INVESTMENT INCOME

	1993 £000	1992 £000
Income from listed shares	2	6
Income from shares in subsidiary undertakings	1,150	750
	1,152 =====	756 =====

6 INTEREST PAYABLE

On bank loans and overdrafts	152 =====	227 =====
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7 TAXATION

	1993 £000	1992 £000
Group relief payable @ 33%	-	69
Group relief receivable @ 33%	(315)	-
Tax credits on franked investment income	-	1
Transfer to/(from) deferred taxation	70	70
Prior year - transfer from deferred taxation	6	(51)
- overprovision	(22)	(70)
	(261) =====	19 =====

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED
8 INTANGIBLE FIXED ASSETS

	1993 £000	1992 £000
<u>Cost</u>		
As at 1 October 1992	2,519	2,309
Acquired during the year	3,187	210
At 30 September 1993	<u>5,706</u>	<u>2,519</u>
<u>Amortisation</u>		
As at 1 October 1992	2,519	1,739
Written off to reserves during the year	201	714
Amortisation provided during the year	597	66
At 30 September 1993	<u>3,317</u>	<u>2,519</u>
<u>Net Book Value</u>		
At 1 October 1992	-	570
At 30 September 1993	<u>2,389</u>	-

During the year the Company acquired investment management business from Gresham Limited and Standard Chartered Equitor Limited as detailed below. The purchased goodwill relating to Gresham Limited was written off directly against reserves and purchased goodwill relating to Standard Chartered Equitor Limited is being written off over five years, being the minimum period for which the directors expect to retain the business.

	Purchased Goodwill £000
Gresham Limited	199
Standard Chartered Equitor Limited	<u>2,988</u>
	<u>3,187</u>

The net assets of the business acquired were nil therefore the purchased goodwill reflects the fair value of the business acquired.

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

9 TANGIBLE FIXED ASSETS

	Heritable Property	Short Leasehold Property	Furniture Fixtures & Fittings	Motor Cars & Other Equipment	Total
	£000	£000	£000	£000	£000
<u>Cost</u>					
As at 1 October 1992	170	579	598	2,183	3,530
Additions in Year	-	75	33	443	551
Disposals	-	-	-	(169)	(169)
As at 30 September 1993	170	654	631	2,457	3,912
<u>Depreciation</u>					
As at 1 October 1992	-	86	319	1,464	1,869
Charge for the Year	-	58	70	386	514
Disposals	-	-	-	(117)	(117)
At 30 September 1993	-	144	389	1,733	2,266
Net Book Value at 1 October 1992	170	493	279	719	1,661
Net Book Value at 30 September 1993	170	510	242	724	1,646

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

10 FIXED ASSET INVESTMENTS

<u>Subsidiary Undertakings</u>	<u>1993</u> <u>£000</u>	<u>1992</u> <u>£000</u>
Balance as at 1 October 1992	2,821	2,824
Exchange rate movement	-	(3)
Disposals	(2,100)	-
Balance at 30 September 1993	<u>721</u> <u>=====</u>	<u>2,821</u> <u>=====</u>

The subsidiary undertakings which are involved in the management of funds are as follows:

<u>Name of Undertaking</u>	<u>Percentage Holding</u>	<u>Class of Share</u>	<u>Country of Incorporation</u>
Capital House Unit Trust Managers Ltd	100%	Ordinary	GB
Charterhouse Emperor Management Ltd	100%	Ordinary	The Bahamas

Capital House Unit Trust Managers Ltd is registered in England.

In the opinion of the directors, the value of the investments in subsidiary undertakings is not less than the amount at which they are included in the balance sheet.

Group accounts have not been prepared because the Company is itself a wholly-owned subsidiary of another body corporate, registered in Scotland.

The above disposal relates to the transfer during the year of Capital House International Investment Management Limited to another group company for £2,100,000.

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

11 DEBTORS

	<u>1993</u> £000	<u>1992</u> £000
Trade debtors	67,028	16,052
Amounts owed by ultimate parent company - group relief	315	-
Amounts owed by parent company	22	-
Amounts owed by fellow subsidiary undertakings	3,674	94
Amounts owed by subsidiary undertakings	1,628	1,747
Prepayments and accrued income	2,103	1,458
Other Debtors	62	236
Deferred Tax (Note 14)	67	143
	<hr/> 74,899 =====	<hr/> 19,730 =====

12 INVESTMENTS (CURRENT ASSETS)

	<u>1993</u> £000	<u>1992</u> £000
BOOK VALUE		
Listed - UK	1,503	2,396
Listed - Elsewhere	24	-
	<hr/> 1,527 =====	<hr/> 2,396 =====
MARKET VALUE		
Listed - UK	1,865	2,816
Listed - Elsewhere	28	-
	<hr/> 1,893 =====	<hr/> 2,816 =====

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1993</u> £000	<u>1992</u> £000
Bank Overdraft	90	89
Trade Creditors	66,919	15,919
Amounts owed to ultimate parent company*	2,216	2,183
Amounts owed to fellow subsidiary undertakings	49	-
Other taxation and social security payable	689	737
Accruals and deferred income	2,592	1,534
	<u>72,555</u> =====	<u>20,462</u> =====

*Amount owed to ultimate parent company is made up as follows:

	<u>1993</u> £000	<u>1992</u> £000
Subordinated loan	2,000	2,000
Interest on loan	61	114
Group relief	-	69
Custodian Fees	155	-
	<u>2,216</u> =====	<u>2,183</u> =====

The loan carries interest at 1/8% above LIBOR and is repayable on demand.

14 DEFERRED TAXATION

	<u>Amount Provided</u>		<u>Potential Liability</u>	
	<u>1993</u> £000	<u>1992</u> £000	<u>1993</u> £000	<u>1992</u> £000
Tax effect of timing differences:-				
Excess of tax allowances over depreciation	(86)	(91)	(86)	(91)
Other	19	(52)	19	(52)
	<u>(67)</u>	<u>(143)</u>	<u>(67)</u>	<u>(143)</u>

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

The movements on the provision for deferred tax are as follows:-

	<u>1993</u> £000	<u>1992</u> £000
Provision as at 1 October 1992	(143)	(152)
Transfer to profit and loss account	76	19
	<hr/>	<hr/>
Balance as at 30 September 1993	(67)	(143)
	=====	=====

15 PENSION OBLIGATIONS

The Company contributes to a number of pension schemes in the United Kingdom. The schemes are all of the defined benefit type.

The total pension cost for the Company in respect of the year to 30 September 1993 was £514,000, (1992: £815,000), of which £59,000, (1992: £34,000) related to the pension scheme of The Royal Bank of Scotland (the 'Bank scheme'), £752,000 related to the Capital House Security Benefits Scheme, (1992: £718,000 the Charterhouse Group Security Benefits Scheme), (the "Charterhouse Scheme") (all Group schemes) and £50,000, (1992: £63,000) to other UK schemes. During the year a surplus of £347,000 on the Charterhouse and other schemes was written back to the profit and loss account in accordance with SSAP24. A provision of £260,000, (1992: £547,000) is included in creditors to recognise the accumulated difference between the pension cost and amounts paid.

The pension costs and provisions of the schemes are assessed in accordance with the advice of independent professionally qualified actuaries. The Capital House Security Benefits Scheme is a funded scheme which commenced operations from 1 October 1992 and the first full actuarial report will be provided within three years from that date. The last actuarial valuation of the Bank Scheme was 30 June 1991.

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

16	RESERVES		£000
	At 1 October 1992		648
	Profit for the year		373
	Goodwill on acquisition written off		(201)
	Unrealised exchange gains		9
			<hr/>
	At 30 September 1993		829
			=====
17	SHARE CAPITAL		
		1993	1992
		£000	£000
	Authorised		
	25,000,000 Ordinary Shares of £1 each	25,000	25,000
		=====	=====
	Allotted, called up and fully paid		
	10,300,000 Ordinary Shares of £1 each	10,300	7,300
		=====	=====
	Details of the Company's share issue are set out in note 21.		
18	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
		1993	1992
		£000	£000
	Profit for the year	373	1,072
	New share capital issued	3,000	-
	Goodwill on acquisition written off	(201)	(714)
	Unrealised exchange gains	9	(3)
		<hr/>	<hr/>
	Net addition to shareholders' funds	3,181	355
	Opening shareholders' funds	7,948	7,593
		<hr/>	<hr/>
	Closing shareholders' funds	11,129	7,948
		=====	=====
19	POST BALANCE SHEET EVENTS		
	Details of post balance sheet events are given in the directors' report.		
20	COMMITMENTS AND CONTINGENT LIABILITIES		
	(a) Total underwriting commitments at 30 September 1993 were Nil, (1992: Nil).		
	(b) Capital Expenditure commitments as at the balance sheet date were as follows:		
		1993	1992
		£000	£000
	Contracted for but not provided in the financial statements	-	-
		=====	=====
	Authorised by the directors but not contracted for	-	-
		=====	=====

CAPITAL HOUSE INVESTMENT MANAGEMENT LIMITED

20 COMMITMENTS UNDER OPERATING LEASES

As at 30 September 1993, the Company had the following annual commitments under non-cancellable operating leases:

	1993		1992	
	Property	Other	Property	Other
	£000	£000	£000	£000
Operating leases which expire:				
Within one year	-	15	-	51
Within 2 - 5 years (inclusive)	-	298	-	156
Over five years	940	-	940	-
	---	---	---	---
	940	313	940	207
	===	===	===	===

21 ACQUISITIONS

During the year the Company acquired the investment management business of Standard Chartered Equitor Limited.

The required consideration was raised via the issue of 3,000,000 ordinary shares of £1 each for a consideration of £3,000,000.

The Company has used acquisition accounting to account for the purchase.

22 ULTIMATE PARENT COMPANY

The Directors regard The Royal Bank of Scotland Group plc, a company incorporated in Great Britain and registered in Scotland, as the ultimate parent company. Copies of the Consolidated Financial Statements of the ultimate parent company can be obtained from:

The Secretary
Capital House Investment Management Limited
24 Chiswell Street
LONDON
EC1Y 4SP