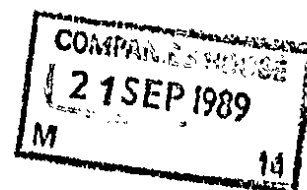


Tullett & Tokyo Financial Services International Limited

1837209

Report and Financial Statements
December 31, 1988



Arthur Young

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

TULLETT & TOKYO FINANCIAL SERVICES INTERNATIONAL LIMITED

1.

DIRECTORS' REPORT

The directors submit their report and financial statements for the year ended December 31, 1988.

Review of the business

The company was incorporated in September 1984 in order to trade as a broker of capital market instruments in the United Kingdom and Japan. The company ceased trading on December 31, 1986 when the business and undertaking of the company were transferred to Tullett & Tokyo Forex International Limited, the holding company.

The directors do not recommend the payment of a dividend.

Directors and their interests

The directors who served during the year were as follows:

T. Sanders
A. Allright
M. Everatt
P. Doney

None of the directors had a beneficial interest in the issued share capital of the company during the year.

The interests of A. Allright in the share capital of Tullett & Tokyo Forex International Limited, the holding company, were as follows:

	<u>At December 31, 1988</u>	<u>At January 1, 1988</u>
Ordinary shares	12,857	-

T. Sanders, M. Everatt and P. Doney are directors of the holding company and their interests in the share capital of group companies are disclosed in the holding company's financial statements.

BY ORDER OF THE BOARD


D. L. LOWE
Secretary

May 30, 1989



A MEMBER OF ARTHUR YOUNG INTERNATIONAL

2.

Arthur Young

Chartered Accountants
Rolls House, 7 Rolls Buildings,
Fetter Lane, London EC4A 3NH

REPORT OF THE AUDITORS TO THE MEMBERS OF
TULLETT & TOKYO FINANCIAL SERVICES INTERNATIONAL LIMITED

We have audited the financial statements on pages 3 and 4 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 state of the company's affairs at December 31, 1988 and comply with the Companies Act 1985.

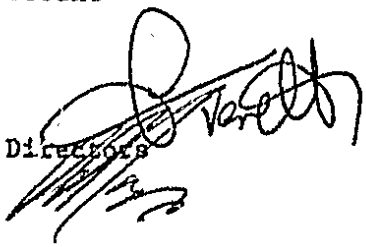
ARTHUR YOUNG

May 30, 1989

TULLETT & TOKYO FINANCIAL SERVICES INTERNATIONAL LIMITED

3.

BALANCE SHEET AT DECEMBER 31, 1988

	<u>Notes</u>	<u>1988</u> £	<u>1987</u> £
Current assets:			
Debtors	3	865,682	973,471
Creditors: amounts falling due within one year	4	-	(107,789)
Net current assets		<u>£865,682</u>	<u>£865,682</u>
Capital and reserves:			
Called up share capital	5	33,333	33,333
Profit and loss account		832,349	832,349
M. EVERETT	) Directors		
P. DONEY			
May 30, 1989			
		<u>£865,682</u>	<u>£865,682</u>

The notes on page 4 form part of these financial statements

TULLETT & TOKYO FINANCIAL SERVICES INTERNATIONAL LIMITED

4.

NOTES TO THE FINANCIAL STATEMENTS AT DECEMBER 31, 1988

1. Accounting policy

Accounting convention

The financial statements are prepared under the historical cost convention.

2. Profit and loss account

The company has not traded during the year and accordingly no profit and loss account is submitted.

The directors received no remuneration during the year.

3. Debtors

	<u>1988</u>	<u>1987</u>
Amounts owed by the holding company	£865,682	£973,471

4. Creditors: amounts falling due within one year

	<u>1988</u>	<u>1987</u>
Current corporation tax	£ -	£107,789

5. Share capital

	<u>Authorised</u>		<u>Allotted, called up and fully paid</u>	
	<u>1988</u> <u>No.</u>	<u>1987</u> <u>No.</u>	<u>1988</u>	<u>1987</u>
Ordinary shares of £1 each	35,000	35,000	£ 33,333	£ 33,333

6. Ultimate holding company

The ultimate holding company is Tullett & Tokyo Forex International Limited, a company incorporated in Great Britain.