

Tullett & Tokyo (Futures Holdings) Limited

Company Registration Number 1837209

Report & Accounts

31st December 1994



DIRECTORS' REPORT

The directors submit their report and accounts for the year ended 31st December 1994.

Results & Dividends

The trading loss for the year, after taxation, amounted to £ 16,273 (1993 - £ 10,986).

The directors do not recommend the payment of a dividend.

Review Of The Business And Future Developments

The company provided management services for Tullett & Tokyo (Futures & Traded Options) Limited during the course of the year ended 31st December 1994. The directors do not anticipate any change in the foreseeable future.

Directors & Their Interests

The directors who held office during the year were as follows :

A.J. Styant Resigned 28/2/94

D.J. Tuffley

N. Coupland Resigned 10/3/94

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

D.J. Tuffley is a director of Tullett & Tokyo Forex International Limited, the ultimate parent undertaking, and their interests in the share capital of group companies are disclosed in the financial statements of Tullett & Tokyo Forex International Limited.

Auditors

Ernst & Young have expressed their willingness to continue in office as auditors and a resolution proposing their re appointment will be submitted at the Annual General Meeting.

BY ORDER OF THE BOARD



D.J. Tuffley

Director

24 APRIL 1995

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company, and of the profit of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 accounts comply with the Companies Act 1985. 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.

REPORT OF THE AUDITORS TO THE MEMBERS OF TULLETT & TOKYO (FUTURES HOLDINGS) LIMITED

We have audited the accounts on pages 4 to 10, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

Respective Responsibilities Of Directors And Auditors

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

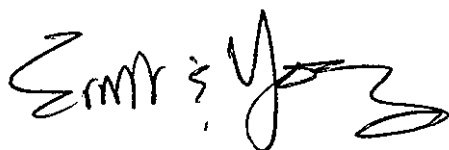
Basis Of Opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts are free from material mis-statement, 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31st December 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



ERNST & YOUNG

Chartered Accountants
Registered Auditor
London

7 July 1995

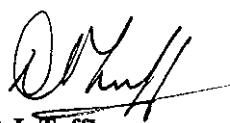
PROFIT & LOSS ACCOUNT
for the year ended 31st December 1994

	<i>Notes</i>	1994	1993
		£	£
Turnover			
Continuing operations		-	-
Other operating charges		(181,198)	(432,567)
Other operating income		<u>176,521</u>	<u>428,374</u>
Operating loss : continuing operations	2	(4,677)	(4,193)
Loss on ordinary activities before taxation		<u>(4,677)</u>	<u>(4,193)</u>
Tax on profit / (loss) on ordinary activities	3	(11,596)	(6,793)
Loss on ordinary activities after taxation		<u>(16,273)</u>	<u>(10,986)</u>
Retained profit / (loss) brought forward		(30,371)	(19,385)
Retained loss carried forward		<u><u>(46,644)</u></u>	<u><u>(30,371)</u></u>

During the year there were no other recognised gains or losses other than the loss for the period.

BALANCE SHEET
at 31st December 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Tangible fixed assets	4	141,522	253,298
Investments	5	4,603,995	4,603,995
		<u>4,745,517</u>	<u>4,857,293</u>
CURRENT ASSETS			
Debtors	6	0	3,334
		<u>0</u>	<u>3,334</u>
CURRENT LIABILITIES			
Amounts falling due within one year	7	3,092,161	3,190,998
		<u>(3,092,161)</u>	<u>(3,187,664)</u>
NET CURRENT ASSETS			
		<u>1,653,356</u>	<u>1,669,629</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	8	1,700,000	1,700,000
Profit and loss account	9	(46,644)	(30,371)
		<u>1,653,356</u>	<u>1,669,629</u>



D.J. Tuffley

Director

24 APRIL 1995

NOTES TO THE ACCOUNTS

for the year ended 31st December 1994

1 ACCOUNTING POLICIES

Accounting Convention

The accounts are prepared under the historical cost convention, modified to include the revaluation of certain assets, and in accordance with applicable accounting standards.

Depreciation

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life as follows:

Fixtures & fittings and equipment 20 % to 33 1/3 %

Group accounts

Tullett & Tokyo (Futures Holdings) Limited is exempt from the obligation to prepare and deliver group accounts. It is a wholly owned subsidiary of Tullett & Tokyo Forex International Limited, a company registered in England & Wales.

2 OPERATING LOSS

A material proportion of the company's expenditure, including auditors' remuneration, is incurred by Tullett & Tokyo Forex International Limited, the ultimate parent undertaking, and recovered from Tullett & Tokyo (Futures Holdings) Limited by way of a management charge.

Directors' remuneration has not been charged to the profit and loss account as these costs are borne by other group companies.

All directors are employees of the ultimate parent undertaking. Amounts paid to the directors by the ultimate parent undertaking in respect of services as directors of the company or in connection with the management of the company and its subsidiary undertakings totalled £351,068 (1993 - £126,895) including pension contributions.

Where directors of the company are also directors of the ultimate parent undertaking or subsidiary undertakings, their remuneration is received directly from those companies. The directors do not believe it is practicable to apportion this amount between their services as directors of the company and of the ultimate parent undertaking, subsidiary undertakings and this company.

The emoluments, excluding pension contributions, of the highest paid director were £351,068 (1993 - £126,895). Directors' emoluments excluding pension contributions, fell within the following ranges

	1994	1993
£ Nil - £ 5,000	2	2
£ 125,000 - £130,000	-	1
£ 350,001 - £355,000	1	-

NOTES TO THE ACCOUNTS (continued)
for the year ended 31st December 1994

3 TAX ON LOSS ON ORDINARY ACTIVITIES

The taxation charge is made up as follows:

	1994 £	1993 £
Based on the profit for the year:		
Corporation tax @ 33% (1993 - 33%)	<u>11,596</u>	<u>6,793</u>

4 TANGIBLE FIXED ASSETS

	Fixtures, fittings and computer equipment £	Total £
Cost:		
At 1st January 1994	874,717	874,717
Additions	57,643	57,643
Transfers	7,103	7,103
At December 31, 1994	<u>939,463</u>	<u>939,463</u>
Depreciation		
At 1st January 1994	621,420	621,420
Provided during the year	176,521	176,521
At December 31, 1994	<u>797,941</u>	<u>797,941</u>
Net book value:		
At December 31, 1994	<u>253,298</u>	<u>253,298</u>
Net book value:		
At 1st January 1994	<u>141,522</u>	<u>141,522</u>

NOTES TO THE ACCOUNTS (continued)
for the year ended 31st December 1994

5 FIXED ASSET INVESTMENTS

At 1st January 1994	£ 4,603,995
At 31st December 1994	<u>4,603,995</u>

The company's interest in subsidiary undertakings comprises :

	Country of Incorporation	Group Interest
Tullett & Tokyo (Futures & Traded Options) Limited	England	
399,600 Ordinary Shares of £1 each		99%
900,000 Preference Shares of £1 each		100%
Tullett & Tokyo (Trading Advisor) Limited	England	
5,999 Ordinary Shares of £1 each		99%
Tullett & Tokyo (Futures & Traded Options) Gmbh	Germany	
DM 50,000 1 Share		100%
Tullett & Tokyo (Futures & Traded Options) Paris SA	France	
167,500 Ordinary Shares of Ffr 100 each		99%
Tullett & Tokyo (Futures Nominees) Limited	England	
2 Ordinary Shares of £1 each		100%

The investments have not been revalued in the accounts but the directors consider that their aggregate value as at 31st December 1994, was not less than the net book value shown in the accounts.

6 DEBTORS

	1994 £	1993 £
Inter company debtor	-	3,334
	<u>-</u>	<u>3,334</u>

NOTES TO THE ACCOUNTS (continued)
for the year ended 31st December 1994

7. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	1994 £	1993 £
Amounts owed to ultimate parent undertaking	3,081,105	3,180,598
Corporation tax payable	11,056	10,400
	<u>3,092,161</u>	<u>3,190,998</u>

8 SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted, called up and fully paid</u>	
	1994 Number	1993 Number	1994 £	1993 £
Ordinary shares of £1 each	1,700,000	1,700,000	1,700,000	1,700,000
	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,700,000</u>

9 RECONCILIATION OF SHAREHOLDER'S FUNDS AND MOVEMENT ON RESERVES

	Share Capital £	Profit & Loss Account £	Total Shareholder Funds £
Balance at 1st January 1993	1,700,000	(19,385)	1,680,615
Profit / (loss) for the year		(10,986)	(10,986)
Balance at 1st January 1994	<u>1,700,000</u>	<u>(30,371)</u>	<u>1,669,629</u>
Profit / (loss) for the year		(16,273)	(16,273)
Balance at 31st December 1994	<u>1,700,000</u>	<u>(46,644)</u>	<u>1,653,356</u>

NOTES TO THE ACCOUNTS (continued)
for the year ended 31st December 1994

10 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of Tullett & Tokyo (Futures Holdings) Limited is Tullett & Tokyo Forex International Limited, a company registered in England & Wales. Copies of the group accounts can be obtained from Tullett & Tokyo Forex International Limited, 54-62 New Broad Street, EC2M 1JJ.

11 GUARANTEE NOTE

The company, along with a number of Tullett & Tokyo subsidiary companies, has guaranteed the obligations of the ultimate parent company in respect of a £27,000,000 (1993 £27,000,000) medium term syndicated loan facility, of which £2,474,000 (1993 £2,486,000) was drawn down at 31 December 1994.