

Company Number 1970859

JOH (SECURITIES) LIMITED
DIRECTORS' REPORT AND ACCOUNTS
30TH SEPTEMBER 1997



DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the year ended 30th September 1997.

Principal Activities and review of the business

The Company has not traded during the year.

The directors do not recommend the payment of a dividend (1996:£nil)

Directors and Directors' Interests

The Directors who served during the year under review are shown below:

R.N. Hambro
R.A. Hambro
R.C.O. Hellyer

None of the Directors had any interest in the share capital of the Company at any time during the year.

All of the Directors are Directors of J O Hambro & Company Limited and their interests in J O Hambro & Company Limited are disclosed in that Company's financial statements.

DIRECTORS' REPORT (continued)

Statement of Directors' Responsibilities

Company Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates which 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 Company and enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Auditors

A resolution for the re-appointment of KPMG Audit Plc as Auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board

L.A. Keswick

L.A. KESWICK
Secretary

10 Park Place
London SW1A 1LP

28 JAN 1998

**AUDITORS' REPORT TO THE MEMBERS OF
JOH (SECURITIES) LIMITED**

We have audited the financial statements on pages 4 to 6.

Respective Responsibilities of Directors and Auditors

As described on page 2, 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 undertaking'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 as at 30th September 1997 and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

28 January 1998

JOH (SECURITIES) LIMITED

BALANCE SHEET

As at 30th September 1997

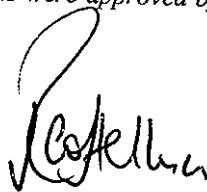
	<u>Note</u>	<u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>
Current Assets			
Debtors	5	82,952	82,952
Creditors: Amounts falling due within one year	6	(137,483)	(137,483)
Net Current Liabilities		<u>£(54,531)</u>	<u>£(54,531)</u>
Capital and Reserves			
Called up Share Capital	7	4,000	4,000
Profit and Loss Account		(58,531)	(58,531)
		<u>£(54,531)</u>	<u>£(54,531)</u>

These financial statements were approved by the Board of Directors on behalf

28 JAN 1998

and signed on their

R.C.O. HELLYER



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Director

The notes on pages 5 and 6 form part of these financial statements

NOTES TO THE ACCOUNTS

1. **Principal Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:-

Basis of Accounting

The financial statements have been prepared under the Historical Cost Convention and in accordance with applicable accounting standards.

Cash Flow Statement

The Company is a wholly owned subsidiary of J O Hambro & Company Limited and the cash flows of the Company are included in the consolidated cash flow statement of the holding Company. Consequently, the Company is exempt under the terms of Financial Reporting Standard 1 from publishing a cash flow statement.

2. **Profit and Loss Account**

During the financial year and the preceding financial year, the Company did not trade and received no income and incurred no expenditure. Consequently during these years, the Company made neither a profit nor a loss.

3. **Employees**

The Company has no employees and the Directors receive no emoluments.

4. **Auditors' Remuneration**

The remuneration of the auditors, amounting to £500 for the year ending 30th September 1997 will be borne by the ultimate parent undertaking, J O Hambro & Company Limited.

5. **Debtors**

	<u>1997</u>	<u>1996</u>
Amount owed by ultimate parent undertaking	<u>£82,952</u>	<u>£82,952</u>

6. **Creditors** Amounts falling due within one year

	<u>1997</u>	<u>1996</u>
Amount owed to parent undertaking	<u>£137,483</u>	<u>£137,483</u>

NOTES TO THE ACCOUNTS (continued)

7. Share Capital

	<u>1997</u>	<u>1996</u>
Authorised:		
100,00 ordinary shares of £1 each	<u>£100,000</u>	<u>£100,000</u>
Share capital, allotted, called up and fully paid:		
4,000 ordinary shares of £1 each	<u>£4,000</u>	<u>£4,000</u>

8. Ultimate Parent Undertaking

The ultimate Parent Undertaking is J O Hambro & Company Limited, which is registered in England and Wales.

Copies of the Group financial statements can be obtained from Companies House, Crown Way, Cardiff, CF4 3UX.

The direct Holding Company is J O Hambro Investments Limited which is registered in England and Wales.