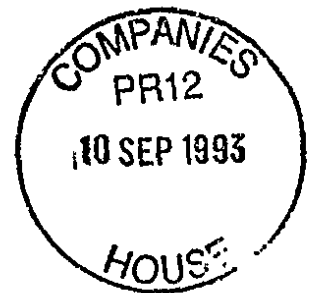


Tullett & Tokyo (Options) Ltd.
Company Registration Number 2212121
Report and Accounts
December 31, 1992



DIRECTORS' REPORT

The directors submit their report and accounts for the year ended December 31, 1992.

Results and dividends

The trading profit for the year ended December 31, 1992, after taxation, amounted to £1,058,986 (1991 - £1,257,866).

The directors authorised the payment of an interim dividend of £1,000,000 (1991 - £ 1,800,000).

Review of the business and future developments

As a result of market competitiveness income and profits declined during the year.

The directors do not anticipate any significant changes in the company's activities during the forthcoming year.

Directors and their interests

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

A. J. Styant	(Chairman)
C. D. Heck	
D. L. Lowe	(Resigned January 28, 1993)
M. J. Byrnes	(Resigned May 12, 1992)
M. S. Perkins	(Appointed December 15, 1992)

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

A. J. Styant and D. L. Lowe are directors of Tullett & Tokyo Forex International Limited, the ultimate parent undertaking, and their interests in the share capital of group companies are disclosed in the accounts of Tullett & Tokyo Forex International Limited.

Auditors

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

BY ORDER OF THE BOARD



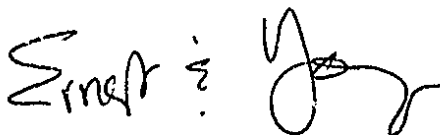
P.H. Mapplebeck
Secretary

March 30, 1993

REPORT OF THE AUDITORS TO THE MEMBERS OF
TULLETT & TOKYO (OPTIONS) LTD.

We have audited the accounts on pages 3 to 9 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at December 31, 1992 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



ERNST & YOUNG

Chartered Accountants
Registered Auditor
London

March 30, 1993

TULLETT & TOKYO (OPTIONS) LTD.

3

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 1992

	<u>Notes</u>	<u>£</u>	<u>1992</u> <u>£</u>	<u>1991</u> <u>£</u>
Turnover	2		4,468,171	4,605,322
Other operating income			31,194	-
			-----	-----
			4,499,365	4,605,322
State costs	4	1,803,039		1,542,783
Other operating charges		1,179,941		1,289,957
		-----		-----
			(2,982,980)	(2,832,740)
			-----	-----
Operating profit	3		1,516,385	1,772,582
Interest receivable	5		131,344	183,524
			-----	-----
Profit on ordinary activities before taxation			1,647,729	1,956,106
Tax on profit on ordinary activities	6		(588,743)	(698,240)
			-----	-----
Profit on ordinary activities after taxation			1,058,986	1,257,866
Dividends - Interim paid			(1,000,000)	(1,800,000)
Retained profit brought forward			332,592	874,726
			-----	-----
Retained profit carried forward			391,578	332,592
			=====	=====

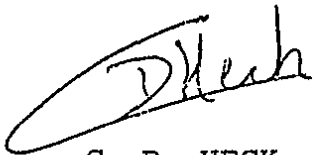
The notes on pages 5 to 9 form part of these accounts.

TULLETT & TOKYO (OPTIONS) LTD.

4

BALANCE SHEET AT DECEMBER 31, 1992

	<u>Notes</u>	<u>£</u>	<u>1992</u> <u>£</u>	<u>1991</u> <u>£</u>
Fixed assets:				
Investments	7		10	10
Current assets:				
Debtors	8	1,567,854		1,253,038
		-----		-----
		1,567,854		1,253,038
Creditors: amounts falling due within one year	9	(576,284)		(320,454)
		-----		-----
Net current assets			991,570	932,584
			-----	-----
Total assets less current liabilities			991,580	932,594
			=====	=====
Capital and reserves:				
Called up share capital	10		600,002	600,002
Profit and loss account			391,578	332,592
			-----	-----
			991,580	932,594
			=====	=====



C. D. HECK - Director

March 30, 1993

The notes on pages 5 to 9 form part of these accounts.

NOTES TO THE ACCOUNTS AT DECEMBER 31, 19921. Accounting policiesAccounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling on the last day of the previous month. All differences are taken to the profit and loss account.

2. Turnover

Turnover represents net brokerage income stated net of value added tax.

Turnover arose within the following geographical segments:

	<u>1992</u> £	<u>1991</u> £
Europe	3,199,825	3,371,085
North America	1,264,167	1,234,237
Far East & Australia	4,179	-
	-----	-----
	4,468,171	4,605,322
	=====	=====

3. Operating profit

	<u>1992</u> £	<u>1991</u> £
(a) This is stated after charging:		
Directors' remuneration (see below)	240,289	356,421
	=====	=====

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 (Options) Ltd. by way of a management charge, which represents a reasonable estimate of such expenditure.

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1992
(continued)3. Operating profit
(continued)

	<u>1992</u>	<u>1991</u>
	<u>£</u>	<u>£</u>
(b) Directors' remuneration:		
Emoluments		
(including pension contributions)	240,289	356,421
	=====	=====

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 totalled £240,289 (1991 - £356,421) (including pension contributions) all of which were charged to the company as a direct allocation of expenses.

Where directors of the company are also directors of the ultimate parent undertaking and fellow 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 the holding company and fellow subsidiary undertakings. A management charge of £40,000 (1991 - £39,996) has been charged to the company representing a recharge of the services to the company of all directors of the parent undertaking. It is not possible to separately identify the amounts solely attributable to the directors of the company.

The emoluments, excluding pension contributions, of the chairman were £Nil (1991 - £Nil) and of the highest paid director were £230,790 (1991 - £186,518). The directors' emoluments, excluding pension contributions, fell within the following ranges:

	<u>1992</u>	<u>1991</u>
	Number	Number
£ Nil - £ 5,000	4	2
£150,001 - £155,000	-	1
£165,001 - £170,000	-	1
£185,001 - £190,000	-	1
£230,001 - £235,000	1	-

4. Staff costs

	<u>1992</u>	<u>1991</u>
	<u>£</u>	<u>£</u>
Wages and salaries	1,592,761	1,435,464
Social security costs	150,674	83,876
Other pension costs	59,604	23,443
	-----	-----
	1,803,039	1,542,783
	=====	=====

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1992
(continued)4. Staff costs
(continued)

The company's operations are carried out by employees of the ultimate parent undertaking. Staff costs represent amounts charged to the company as a direct allocation of expenses by the ultimate parent undertaking. During the year, the average weekly number of employees identified as being directly involved in the operations of the company was 16 (1991 - 15).

A group pension scheme is operated for the employees of Tullett & Tokyo Forex International Limited. The scheme previously provided benefits based on final pensionable pay, but effective November 1, 1991 the scheme was converted to one of the defined contribution type. Employees in service at the date of the change receive benefits on the better of the two bases.

The assets of the scheme are held separately from those of the group in a trustee administered fund. The contributions are determined by a qualified actuary on the basis of triennial valuations. The most recent valuation was as at May 1, 1992 and the details of this actuarial valuation are disclosed in the accounts of Tullett & Tokyo Forex International Limited.

The pension charge for the year was £59,604 (1991 - £23,443) which represents a direct allocation of expenses by Tullett & Tokyo Forex International Limited, calculated in accordance with Statement of Standard Accounting Practice No. 24. The surplus in the group pension scheme is being eliminated by a pension contribution holiday.

5. <u>Interest receivable</u>	<u>1992</u> £	<u>1991</u> £
Interest receivable on bank deposits	15,008	7,681
Interest receivable from parent undertaking	116,336	175,843
	-----	-----
	131,344	183,524
	=====	=====

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1992
(continued)6. Tax on profit on ordinary activities

The taxation charge is made up as follows:

	<u>1992</u> <u>£</u>	<u>1991</u> <u>£</u>
Based on the profit for the year:		
Corporation tax payable at 33 % (1991 - 33.25%)	588,743	698,467
Tax overprovided in previous years	-	(227)
	-----	-----
	588,743	698,240
	=====	=====

The effective tax rate is higher than the corporation tax rate as a result of disallowable expenses.

7. Investments

	Shares in Group Undertakings <u>£</u>
Cost:	
At January 1, 1992	10
Additions	-

At December 31, 1992	10

During the year the company held investments in the following money broking companies:

	<u>Country of incorporation</u>	<u>Company interest</u>
Tullett & Tokyo (Futures & Traded Options) Paris S.A.		
1 ordinary share of FFr 100 each	France	0.04%

8. Debtors

	<u>1992</u> <u>£</u>	<u>1991</u> <u>£</u>
Trade debtors	525,562	778,540
Amounts owed by the parent undertaking	1,042,292	474,498
	-----	-----
	1,567,854	1,253,038
	=====	=====

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1992
(continued)9. Creditors: amounts falling due within one year

	<u>1992</u>	<u>1991</u>
	<u>£</u>	<u>£</u>
Accruals	51,402	-
Corporation tax payable	524,882	320,454
	-----	-----
	576,284	320,454
	=====	=====

10. Share capital

	<u>Authorised</u>		<u>Allotted, called up and fully paid</u>	
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	<u>Number</u>	<u>Number</u>	<u>£</u>	<u>£</u>
Ordinary shares of £1 each	5,000,000	5,000,000	600,002	600,002
	=====	=====	=====	=====

11. Ultimate parent undertaking

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