

Reg. No. 02346316

2346316

ROTHMANS TRADING LIMITED  
ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1996



# ROTHMANS TRADING LIMITED

## DIRECTORS' REPORT

The Directors submit their report and the audited accounts for the year ended 31st March 1996.

### Activities and Results

The principal activity of the Company is to act as the managing partner for its subsidiary undertaking, the Rothmans (UK) Partnership. This partnership, acting through its agent, Rothmans (UK) Limited, is responsible for the marketing, selling and distribution of cigarettes and smoking tobacco products for the Rothmans International Group and Philip Morris Incorporated trademarks in the UK domestic market. The other partners are Park (UK) Limited and Park Tobacco Limited representing Philip Morris Incorporated.

Full details of the Company's results for the year and of its financial position at 31st March 1996 are set out in the accounts and related notes on pages 6 to 10.

The Directors do not envisage any significant changes in the Company's activities during the forthcoming year.

### Directors

The Directors of the Company during the year ended 31st March 1996 were:

P Keijzer  
P H Dudson  
T A Smith  
A F Ross

### Directors' Interests

The interests of the Directors of the Company and their immediate family interests in the shares of the Company, its subsidiaries, its parent company or its fellow subsidiaries as shown in the Register of Directors' Shareholdings kept pursuant to Section 325 of the Companies Act 1985, are shown.

ROTHMANS INTERNATIONAL		
	Units Held	
	31 March 1996	1st April 1995
P.H. Dudson	-	2,000

VENDOME LUXURY GROUP		
	Units Held 31 March 1996	Units Held 1st April 1995
P.H. Dudson	1,000	1,000

### Notes

- (a) Until 18 July 1995, by virtue of the constitutions of Rothmans International plc (since renamed as Rothmans UK Holdings Limited) and Rothmans International N.V. (since renamed as Rothmans International Holdings N.V.), each Rothmans International unit comprised one Rothmans International plc Ordinary share of 10 pence and one Rothmans International N.V. share of 20 Dutch cents.
- (b) By virtue of the constitutions of Vendôme Luxury Group plc and Vendôme Luxury Group SA, each Vendôme Luxury Group unit comprises one Vendôme Luxury Group plc Ordinary share of 5 pence and one Vendôme Luxury Group SA share of no par value.
- (c) Save as disclosed above, none of the directors or their immediate families had any notifiable interests in the shares or in any option to subscribe for shares in the capital of the Company, its subsidiaries, its parent companies or its fellow subsidiaries.

### **Dividends**

The Directors recommend a dividend of £5,700,000 (1995: £3,400,000).

### **Close Company Status**

The close company provisions of the Income and Corporation Taxes Act 1988 do not apply.

### **Auditors**

The auditors, Coopers & Lybrand, are willing to continue in office and a resolution regarding their reappointment will be submitted to the Annual General Meeting.

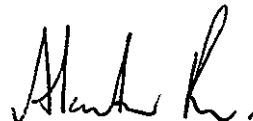
On Behalf of the Board

Registered No: 2346316

Registered Office:  
Oxford Road, Aylesbury  
Bucks, HP21 8SZ

A F Ross  
Secretary

18.10.1996



## **ROTHMANS TRADING LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The following statement, which should be read in conjunction with the auditors' statement of auditors' responsibilities set out on the next page, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the auditors in relation to the financial statements.

The Directors are required by the Companies Act 1985 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 the financial year.

The Directors consider that in preparing the financial statements on pages 6 to 10 the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed. The Directors are required to use a going concern basis in preparing the financial statements unless this is inappropriate.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors 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.

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
ROTHMANS TRADING LIMITED**

We have audited the financial statements on pages 6 to 10.

**Respective responsibilities of Directors and Auditors**

As described on page 3 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.

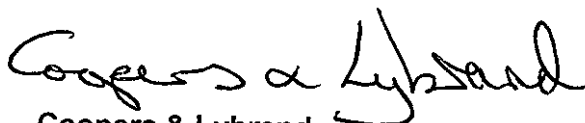
**Basis of opinion**

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 affairs of the Company at 31 March 1996 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 and Registered Auditors

London 18 October 1996

**ROTHMANS TRADING LIMITED**  
**STATEMENT OF ACCOUNTING POLICIES**

**(a) Accounting Convention**

The accounts have been prepared on historical cost accounting principles and in accordance with applicable accounting standards in the United Kingdom.

**(b) Taxation**

Provision is made in each accounting period for all taxation expected to be payable in respect of profits earned to the end of the period.

Deferred taxation, arising from timing differences between the recognition of certain items of income and expenditure for accounting and taxation purposes, is calculated using the liability method. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise.

**(c) Cash Flow Statement**

The Company is a wholly owned subsidiary of Rothmans International Tobacco (UK) Limited which in turn is a wholly owned subsidiary of the Rothmans UK Holdings Limited and the cash flow of the Company is included in the consolidated group cash flow statement of Rothmans UK Holdings Limited. Consequently the Company is exempt under the terms of Financial Reporting Standard No 1 from publishing a cash flow statement.

**ROTHMANS TRADING LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST MARCH 1996**

	Notes	1996 £000	1995 £000
Income from subsidiary undertaking	1	8,380	5,113
Operating Expenses		(24)	(22)
Operating Profit		<u>8,356</u>	<u>5,091</u>
Net Interest Receivable		5	-
Profit on ordinary activities before taxation		<u>8,361</u>	<u>5,091</u>
Taxation on profit on ordinary activities	3	<u>(2,739)</u>	<u>(1,757)</u>
Profit for the financial year attributable to the shareholders		5,622	3,334
Dividend	4	<u>(5,700)</u>	<u>(3,400)</u>
Movement on reserves	8	<u>(78)</u>	<u>(66)</u>

The results above all relate to continuing activities.

There is no material difference between the profit after taxation and the profit for the financial year stated above and their historical cost equivalents.

The Company has no recognised gains and losses other than those included in the profit above and therefore no separate statement of recognised gains and losses has been presented.

The reconciliation of movement in shareholders' funds is presented in note 9.

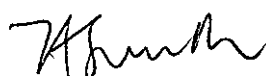
The accounting policies set out on page 5, and the notes on pages 8 to 10 form an integral part of these accounts.

The Report of the Auditors is set out on page 4.

**ROTHMANS TRADING LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 1996**

	Notes	1996 £000	1995 £000
<b>Fixed Assets</b>			
Investment	5	650	650
<b>Current Assets</b>			
Debtors	6	8,380	5,113
Creditors: amounts falling due within one year	7	(8,980)	(5,635)
Net current liabilities		(600)	(522)
		50	128
<b>Capital Employed</b>			
Capital and reserves			
Share capital	8	-	-
Profit and loss account	8	50	128
<b>Equity shareholders' Funds</b>	9	50	128

The accounts were approved by the Board of Directors on 18.10.1996, and signed on its behalf by:



Director

The accounting policies set out on page 5, and the notes on pages 8 to 10 form an integral part of these accounts.

The Report of the Auditors is set out on page 4.



# ROTHMANS TRADING LIMITED

## NOTES TO THE ACCOUNTS - 31ST MARCH 1996

### 1. Income from Subsidiary Undertaking

The income represents the Company's 65% share of the results of its subsidiary undertaking, the Rothmans (UK) Partnership, for the year to 31st March 1996.

2. The Company had one employee during the year (1995: one employee).

### 3. Taxation on Profit on Ordinary Activities

	1996 £000	1995 £000
United Kingdom corporation tax based on share of taxable profit of the Rothmans (UK) Partnership for the year at 33% (1995: 33%)	2,590	1,797
Prior Year UK corporation tax	149	(40)
	<hr/>	<hr/>
	2,739	1,757
	<hr/>	<hr/>

### 4. Dividend

Proposed dividend of £57,000 (1995: £34,000) per ordinary share	5,700	3,400
	<hr/>	<hr/>

### 5. Investment

The investment represents the Company's 65% interest in the Partnership capital of its subsidiary undertaking, the Rothmans (UK) Partnership, and is stated at cost.	650	650
	<hr/>	<hr/>

The Company does not prepare consolidated accounts as it is a wholly owned subsidiary of Rothmans International Tobacco (UK) Limited, a company incorporated in England.

### 6. Debtors

Amounts owed by the Rothmans (UK) Partnership	8,380	5,113
	<hr/>	<hr/>

### 7. Creditors: Amounts falling due within one year

Amounts owed to immediate parent undertaking	684	465
Corporate taxation	2,596	1,770
Proposed dividend payable	5,700	3,400
	<hr/>	<hr/>
	8,980	5,635
	<hr/>	<hr/>

# ROTHMANS TRADING LIMITED

## NOTES TO THE ACCOUNTS - 31ST MARCH 1996

### 8. Capital and Reserves

(a) Share Capital	Authorised	Allotted and Fully Paid
	1996&1995 £	1996&1995 £
Ordinary share capital in shares of £1 each	1,000	100
 (b) Reserves		
		Profit and Loss Account £000
At 1st April 1995		128
Retained loss for the year		(78)
		<hr/>
At 31st March 1996		50
		<hr/>

### 9. Reconciliation of Shareholders' Funds

	1996 £000	1995 £000
Profit for the year	5,622	3,334
Dividend	(5,700)	(3,400)
	<hr/>	<hr/>
Movements in shareholders' funds	(78)	(66)
Shareholders' funds at the beginning of the year	128	194
	<hr/>	<hr/>
Shareholders' funds at the end of the year	50	128
	<hr/>	<hr/>

### 10. Auditors' Remuneration

The remuneration of the auditors was borne by the immediate parent undertaking for the current and preceding year.

## 11. Emoluments of Directors of the Company

(a) Remuneration of Directors of the Company for services to the Company and its subsidiary	1996 £000	1995 £000
Fees	24	22
Salary (including benefits in kind)	281	230
Pension contributions	29	33
	<hr/>	<hr/>
	334	285
	<hr/>	<hr/>
(b) Particulars of directors' emoluments (excluding pension contributions) are as follows:	1996 £000	1995 £000
Emoluments of the Chairman	24	22
Emoluments of the highest paid director	175	100

Number of directors (including the above) whose emoluments were in the ranges:

£Nil - £5,000	1	1
£20,001 - £25,000	1	1
£25,001 - £30,000	-	1
£35,001 - £40,000	-	1
£95,001 - £100,000	-	2
£120,001 - £125,000	1	-
£170,001 - £175,000	1	-

The emoluments of the directors, with the exception of the Chairman, were borne by the subsidiary undertaking for the current and preceding year.

## 12. Ultimate and Immediate Parent Companies

The Directors regard Compagnie Financière Richemont AG, a company incorporated in Switzerland, to be the ultimate parent company, and Rothmans International Tobacco (UK) Limited, a company incorporated in England, to be the immediate parent company.

Copies of the group accounts of Compagnie Financière Richemont AG are available from its registered office at Rigistrasse 2, CH-6300 Zug, Switzerland.

Copies of the group accounts of Rothmans International Tobacco (UK) Limited are available from its registered office at Oxford Road, Aylesbury, Bucks.