

Risecretaries Limited
Registered Number: 2761029

Directors' Report and Accounts

For the 9 months ended 31 December 1999



Risecretaries Limited

Contents

	Page
Directors' Report	2-4
Auditors Report	5
Balance Sheet	6
Notes to the Accounts	7

Risecretaries Limited

Directors' Report

Board of Directors

The directors of the Company during the period ended 31 December 1999 were:

M A Oliver	
D J Booker	(Resigned 17 December 1999)
G R Thomas	
A E Griffiths	
A P Phipkin	
M S Biss	(Resigned 10 September 1999)
W M Kuzminski	(Resigned 30 July 1999)
D N F Salter	(Appointed 26 July 1999)
P M Cook	(Appointed 26 July 1999)
M L Hendershot	(Appointed 26 July 1999)

Subsequent to the year end, A P Phipkin resigned as director on 28 April 2000 and G R Thomas resigned as director on 30 June 2000.

Directors' Interests

The interests of those persons who were directors at 31 December 1999 in the share capital and share option schemes of British American Tobacco p.l.c. and its subsidiaries are as shown below with the exception of M A Oliver and G R Thomas whose interests are disclosed in the Directors' Reports of Rothmans International Tobacco (UK) Limited and Rothmans UK Holdings Limited respectively.

British American Tobacco p.l.c. Ordinary 25p shares

	1 April 1999*	31 December 1999
P M Cook	1,380	1,380
M L Hendershot	700	983
D N F Salter	904	904

* or date of appointment if later

British American Tobacco p.l.c. Share Options

	1 April 1999*	Granted	Exercised	31 December 1999
A P Phipkin	-	10,661	-	10,661
P M Cook	31,377	1,224	-	32,601
M L Hendershot	31,786	-	-	31,786
D N F Salter	4,200	2,133	-	6,333

* or date of appointment if later

Risecretaries Limited

Directors' Report

Directors' Interests (continued)

In addition, on 31 December 1999, the British American Tobacco Group Employee Trust and the B.A.T Industries Employee Share Ownership Trust held a total of 15,581,616 shares in British American Tobacco p.l.c. All employees, including the Directors of the Company are deemed to have a beneficial interest in the shares which are held by the trusts for the purpose of satisfying options granted between 1994 and 1998 under the B.A.T Industries Employee Share "E" Option Scheme and from 1998 onwards for options granted under the British American Tobacco Share Option Scheme or awards under the British American Tobacco Long Term Incentive Plan.

Details of the share option schemes are included in the Report and Accounts of British American Tobacco p.l.c.

Dividends

The directors do not recommend the payment of a dividend.

Review of 9 months to 31 December 1999

During the period ended 31 December 1999, the Company did not trade and received no income and incurred no expenditure. Consequently, the Company made neither a profit or loss. These accounts relate to a 9 month period as the accounting reference date was changed from 31 March to 31 December during the period to reflect the year end of the Company's new ultimate parent undertaking.

Principal Activities

During the period, the Company has acted as Corporate secretary to a number of United Kingdom subsidiary companies and is expected to continue in that capacity for the foreseeable future.

General Meetings

Elective resolutions have been passed in accordance with Section 379A of the Companies Act 1985 (as amended) to dispense with the laying of accounts before the Company in General Meeting (pursuant to Section 252 of the Act) and to dispense with the holding of the Annual General Meeting (pursuant to Section 366A of the Act).

Auditors

An elective resolution has been passed that, in accordance with Section 379A and 386 of the Companies Act 1985 (as amended), the Company dispense with the obligation under Section 384 of the Act to appoint auditors annually.

Risecretaries Limited

Directors' Report

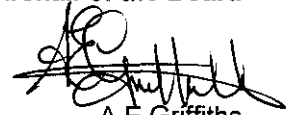
Directors' Responsibilities

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

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the financial statements
- 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 that 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 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.

On behalf of the Board



A E Griffiths
Secretary

Registered No: 2761029

Registered Office:

Oxford Road
Aylesbury
Buckinghamshire
HP21 8SZ

19th October 2000

Risecretaries Limited

Auditors' Report to the members of Risecretaries Limited

We have audited the financial statements on pages 6 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors.

The directors are responsible for preparing the Annual Report. As described on page 4, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established by statute, the Auditing Practice Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

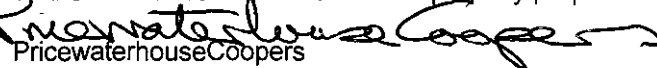
Basis of Opinion

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 the Company's affairs at 31 December 1999 and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
1 Embankment Place London WC2N 6NN

19th October 2000

Risecretaries Limited

Balance Sheet as at 31 December 1999

	Notes	31 December 1999 £	31 March 1999 £
Current assets			
Debtors – amounts falling due within one year from group undertakings		1	1
		1	1
Capital and reserves			
Called up share capital	4	1	1
Profit and loss account		-	-
Total equity shareholders' funds		1	1

During the period, and the preceding financial year, the Company did not trade and received no income and incurred no expenditure. Consequently, the Company made neither a profit or a loss.

The Company was dormant throughout the period.

The financial statements on pages 6 and 7 were approved by the Directors on 19th October 2000 and signed on behalf of the Board by:

N. Sells

DNF SALTER
Director

The notes on page 7 form an integral part of these accounts.

Risecretaries Limited

Notes to the Accounts – 31 December 1999

1 Accounting convention

The financial statements have been prepared on historical cost accounting principles and in accordance with applicable Accounting Standards in the United Kingdom.

2 Directors' emoluments and employee information

The directors did not receive any emoluments during the period or during the preceding year. No staff were employed by the Company during the period, or during the preceding year.

3 Auditors' remuneration

Audit fees are borne by a fellow group company.

4 Share capital

The share capital of the Company is as follows:

	31 December 1999 £	31 March 1999 £
Authorised – Ordinary shares of £1 each	100	100
	<hr/>	<hr/>
Allotted, called up and fully paid - Ordinary shares of £1 each	1	1
	<hr/>	<hr/>

5 Parent undertakings

The Company's ultimate parent undertaking is British American Tobacco p.l.c. being incorporated in the United Kingdom and registered in England and Wales. Group accounts are prepared only at the British American Tobacco p.l.c. level.

6 Copies of the report and accounts

Copies of the report and accounts of British American Tobacco p.l.c. may be obtained from:

The Company Secretary
Globe House
4 Temple Place
London
WC2R 2PG