

B.A.T ADDITIONAL RETIREMENT BENEFIT SCHEME TRUSTEE LIMITED

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1995

Registered no. 2913147



B.A.T Additional Retirement Benefit Scheme Trustee Limited

Report of the directors for the year ended 31 December 1995

The directors present their report and the audited financial statements for the year ended 31 December 1995.

Principal activities

It is intended that the Company will become the corporate trustee for the B.A.T Additional Retirement Benefit Scheme.

Results of the year

The Company has not entered into any transactions during the year, and consequently the result for the year was £nil.

Dividends

The directors do not recommend the payment of a dividend.

Directors

D P Allvey (Chairman)
P L Clarke
A F Hooper
D V John
J A Jolliffe
D W Price

Directors' interests in the shares of the company

The interests of those persons, who were Directors at 31 December 1995, in the share capital and share option schemes of B.A.T. Industries p.l.c. and its subsidiaries are shown in the table below, with the exception of Mr. D P Allvey whose interests are disclosed in the Directors' Report of B.A.T. Industries p.l.c. Interests disclosed are those which existed on 1 January 1995 and 31 December 1995, together with interests acquired or exercised in the said share option schemes during that year.

B.A.T Industries p.l.c.

	<u>Ordinary 25p Shares</u>			<u>Share Options</u>		
	<u>Opening</u>	<u>Closing</u>		<u>Opening</u>	<u>Acquired</u>	<u>Exercised</u>
P L Clarke	1,375	7,332	35,233	7,060	24,620	17,673
A F Hooper	1,742	2,234	11,378	7,789	Nil	19,167
D V John	1,744	2,439	8,040	2,590	Nil	10,630
J A Jolliffe	Nil	Nil	Nil	Nil	Nil	Nil
D W Price	22,467	13,155	Nil	Nil	Nil	Nil

Details of the share option schemes are included in the Report and Accounts of B.A.T Industries p.l.c.

B.A.T Additional Retirement Benefit Scheme Trustee Limited**Report of the directors
for the year ended 31 December 1995****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 year. In preparing those financial statements, the directors are required to:

- select appropriate accounting policies and then apply them consistently, subject to any material departures being disclosed and explained;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless they consider that to be inappropriate.

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 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.

By order of the board

Director:



Dated: 29 MAY 1996

**Auditors' Report to the Shareholders of B.A.T Additional Retirement Benefit Scheme
Trustee Limited**

We have audited the financial statements on pages 5 to 7, which have been prepared under the historical cost convention and the accounting policies set out on page 6.

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 affairs of the company as at 31 December 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

29 May 1996

Price Waterhouse
Chartered Accountants
and Registered Auditors
Southwark Towers
32 London Bridge Street
London SE1 9SY

B.A.T Additional Retirement Benefit Scheme Trustee Limited

Balance Sheet - 31 December 1995

	<u>Notes</u>	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
Current assets			
Debtors	3	2	2
		----	----
Total Assets		<u>2</u>	<u>2</u>
		=====	=====
Capital and reserves			
Called up share capital	4	2	2
Profit and loss account		-	-
		----	----
Total shareholders' funds	5	<u>2</u>	<u>2</u>
		=====	=====
 Equity interests		 2	 2
		----	----
Total shareholders' funds	5	<u>2</u>	<u>2</u>
		=====	=====

The financial statements on pages 5 to 7 were approved by the Directors on **29 MAY 1996** and are signed on their behalf by:

Director:



During the year the Company did not trade and received no income and incurred no expenditure. Consequently the Company made neither a profit nor a loss.

There are no recognised gains and losses other than the result for the financial year.

The notes on pages 6 to 7 form part of these financial statements.

B.A.T Additional Retirement Benefit Scheme Trustee Limited

Notes to the financial statements for the year ended 31 December 1995

1.1 Principal accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

1.2 Basis of accounting

The financial statements are prepared in accordance with Accounting Standards applicable in the United Kingdom and under the historical cost convention.

2 Result for the year

None of the directors received any remuneration in respect of their services to the Company during the year (1994 - Nil).

There were no employees, and no staff costs during the year (1994 - Nil).

Audit fees are paid by the parent undertaking.

3 Debtors

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Amounts due within one year		
Amounts owed by parent undertaking	2	2
	===	===

4 Share capital

		Ordinary Shares of £1 each			
		<u>1995</u>	<u>1995</u>	<u>1994</u>	<u>1994</u>
			<u>£</u>		<u>£</u>
Authorised -	value		100		100
			===		===
	number	100		100	
		===		===	
Allotted, called up and fully paid					
	value		2		2
			===		===
	number	2		2	
		===		===	

B.A.T Additional Retirement Benefit Scheme Trustee Limited

Notes to the financial statements for the year ended 31 December 1995

5 Reconciliation of movement in shareholders' funds	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Opening shareholders' funds	2	-
Ordinary shares issued during the year	-	2
Profit attributable to shareholders for the year	-	-
	----	----
Closing shareholders' funds	2	2
	====	====

6 Parent undertaking

The Company's parent undertaking is British-American Tobacco Company Limited and its ultimate parent undertaking is B.A.T Industries p.l.c., both being incorporated in the United Kingdom and registered in England and Wales. These are respectively the smallest and largest groups for which group accounts are prepared and of which this Company is a member.

7 Copies of the report and accounts

Copies of the report and accounts of B.A.T Industries p.l.c. may be obtained from:

The Company Secretary
Windsor House
50, Victoria Street
London SW1H 0NL

Copies of the report and accounts of British-American Tobacco Company Limited may be obtained from:

The Company Secretary
Millbank
Knowle Green
Staines TW18 1DY