

Company Registration Number: 2924548

BECKWITH ASSET MANAGEMENT LIMITED
(formerly Nomtrade Limited)

Directors' Report and Accounts
for the period ended
30 June 1995



BECKWITH ASSET MANAGEMENT LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their report and the audited accounts for the period ended 30 June 1995.

Date of Incorporation and Change of Name

The Company was incorporated on 29 March 1994 as Nomtrade Limited. On 15 August 1994 the name of the Company was changed to Beckwith Asset Management Limited.

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:

- a) Select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed;
- d) prepare 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 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.

Review of the Business

The Company holds a 49.9% interest in River & Mercantile Investment Management Limited which is the manager of a range of investment trusts and newly launched unit trust products. The Company has an option to acquire a further 30.2% of River & Mercantile Investment Management Limited at a future date.

In the opinion of the directors the financial position of the Company at the Balance Sheet date was satisfactory.

Results and Dividend

The results for the period are detailed on page 4. The Company achieved a loss on ordinary activities before taxation of £1,881.

The directors do not recommend the payment of a dividend for the period. The retained loss for the period is £1,881 which has been transferred to reserves, giving a retained loss carried forward of £1,881.

Share Capital

The movements in Share Capital during the period are set out in Note 8.

BECKWITH ASSET MANAGEMENT LIMITED

DIRECTOR'S REPORT (continued)

Directors and their interests

The directors holding office during the period were as follows:

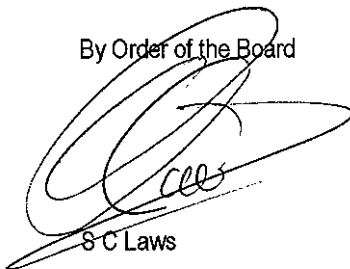
	<i>Date of Appointment</i>	<i>Date of Resignation</i>
Norton Rose Limited	29 April 1994	5 July 1994
Norose Limited	29 April 1994	5 July 1994
A Mitchell	5 July 1994	24 August 1994
R I Emanuel	5 July 1994	24 August 1994
J L Beckwith	24 August 1994	
C I C Munro	24 August 1994	

J L Beckwith does not have any interests in the share capital of the Company other than by virtue of his interests in its ultimate holding company, Pacific Investments Limited, which are disclosed in the accounts of that company. As at 30 June 1995, C I C Munro held 9,000 "B" ordinary shares of 1p and one preference share of 1p.

Auditors

Price Waterhouse were appointed auditors on 24 October 1995. A resolution to re-appoint Price Waterhouse as auditors to the Company will be proposed at the forthcoming Annual General Meeting.

By Order of the Board



S C Laws

195 Knightsbridge
London
SW7 1RE

5 February 1996

AUDITOR'S REPORT TO THE SHAREHOLDERS

OF

BECKWITH ASSET MANAGEMENT LIMITED

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 1 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 an 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 as at 30 June 1995 and of the loss and cash flows for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

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

5 February 1996

BECKWITH ASSET MANAGEMENT LIMITED

Profit and Loss Account for the period ended 30 June 1995

	Note	£
Administrative expenses		(2,205)
Operating loss	3	<u>(2,205)</u>
Interest receivable		324
Loss on ordinary activities before and after taxation	10	<u><u>(1,881)</u></u>

An analysis of reserves is given in Note 10.

There is no difference between the loss on ordinary activities before taxation and the retained loss for the period stated above and the historical cost equivalents.

The operating loss derives wholly from continuing operations.

There are no recognised gains or losses other than the loss for the period shown above.

The notes on pages 7 to 11 form an integral part of these accounts.

BECKWITH ASSET MANAGEMENT LIMITED

Balance Sheet as at 30 June 1995

	Note	£
FIXED ASSETS		
Investments	4	4,414,057
CURRENT ASSETS		
Debtors	5	3,321
Cash		7,982
		<u>11,303</u>
CREDITORS (amounts due within one year)	6	(800)
NET CURRENT ASSETS		<u>10,503</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,424,560
CREDITORS (amounts due after more than one year)	7	(4,326,441)
NET ASSETS		<u><u>98,119</u></u>
CAPITAL AND RESERVES		
Called up share capital	8	1,000
Share premium	9	99,000
Profit and loss account	10	(1,881)
	11	<u><u>98,119</u></u>

The accounts were approved by the
Board of Directors on 5 February 1996


J.L. Beckwith

The notes on pages 7 to 11 form an integral part of these accounts.

BECKWITH ASSET MANAGEMENT LIMITED

Cash Flow Statement for the period ended 30 June 1995

	Note	£
Net cash outflow from operating activities	12.1	(4,726)
Returns on investments and servicing of finance		
Interest received		324
Investing activities		
Purchase of shares in associate		(4,414,057)
Net cash outflow before financing		<u>(4,418,459)</u>
Financing		
Issue of share capital		(100,000)
Proceeds of other loans		(4,326,441)
		<u>(4,426,441)</u>
Increase in cash and cash equivalents	12.2	7,982
		<u>(4,418,459)</u>

The notes on pages 7 to 11 form an integral part of these accounts.

BECKWITH ASSET MANAGEMENT LIMITED

Notes to the Accounts

for the period ended 30 June 1995

1. Accounting Policies

Basis of accounting - The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Investments - Investments are stated at cost less provision for any permanent diminution in value.

2. Comparative Figures

The Company was incorporated on 29 April 1994 and this is the first period for which accounts have been prepared, therefore no comparative figures exist.

3. Operating Loss

The operating loss is stated after charging:

	£
Auditor's remuneration	
Audit fee	500
Other non audit fees	300

None of the directors received any emoluments from the Company during the period. The Company did not have any employees during the period. The affairs of the Company have been managed by the holding company for which no management fee has been charged.

CIC Munro received emoluments as a director of River & Mercantile Investment Management Limited.

4. Investments

Investments comprise unlisted ordinary shares in the Company's associated undertaking at cost. The Company owns a 49.9% interest in River & Mercantile Investment Management Limited which is the manager of a range of investment trusts and newly launched unit trust products. The Company has an option to acquire a further 30.2% of River & Mercantile Investment Management Limited at a future date.

Dividends from associated undertakings are accounted for when received.

5. Debtors

Debtors comprise:

	£
Other debtors	3,321
	<u>3,321</u>

BECKWITH ASSET MANAGEMENT LIMITED

Notes to the Accounts

for the period ended 30 June 1995

(continued)

6. Creditors (amounts due within one year)

Creditors due within one year are analysed as follows:

	£
Accruals and deferred income	800
	<u>800</u>

7. Creditors (amounts due after more than one year)

	£
Other unsecured loans	4,326,441
	<u>4,326,441</u>

On 26 August 1994 the Company entered into an Instrument under which up to £5,000,000 nominal of loan notes were issuable at par. The loan notes are redeemable on 26 August 2000 and are interest free. Other unsecured loans represents the balance of Notes issued under this facility. The Notes have been issued to the shareholders and to a director of the Company.

8. Called up Share Capital

As at 30 June 1995 the authorised and issued share capital of the Company comprised:

	Authorised Number	£	Issued Number	£
"A" ordinary 1p	91,000	910	91,000	910
"B" ordinary 1p	9,000	90	9,000	90
Preference 1p	1	-	1	-
	<u>100,001</u>	<u>1,000</u>	<u>100,001</u>	<u>1,000</u>

The "A" ordinary shares and the "B" ordinary shares carry the right to participate in any distribution pro-rata to the number of shares held until a return of 20% has been achieved. Distributions above this level are allocated as to 16% to the holder of the preference share, 75% to the holders of the "A" ordinary shares and 9% to the holders of the "B" ordinary shares. Any distribution of assets is to be allocated on the same basis. Further details of the rights attaching to the shares are set out in the Articles of Association of the Company.

BECKWITH ASSET MANAGEMENT LIMITED

Notes to the Accounts

for the period ended 30 June 1995

(continued)

9. Share Premium

Share premium is analysed as follows:

	£
Opening balance	-
Premium on shares issued	99,000
Balance as at 30 June 1995	<u>99,000</u>

10. Profit and Loss Account

The profit and loss account is analysed as follows:

	£
Opening balance	-
Retained loss for the period	(1,881)
Balance as at 30 June 1995	<u>(1,881)</u>

11. Reconciliation of Movement in Shareholders' Funds

	£
Loss for the financial period	(1,881)
New share capital subscribed	1,000
Net addition to shareholders' funds	<u>(881)</u>
Opening shareholders' funds	-
Shareholders' funds as at 30 June 1995	<u>(881)</u>

BECKWITH ASSET MANAGEMENT LIMITED

Notes to the Accounts

for the period ended 30 June 1995

(continued)

12. Cash Flow Statement

12.1 Reconciliation of operating loss to net cash outflow from operating activities

The reconciliation of operating loss to net cash outflow from operating activities is as follows:

	£
Operating loss	(2,205)
Increase in debtors	(3,321)
Increase in creditors	800
	<u>(4,726)</u>

12.2 Analysis of changes in cash and cash equivalents during the period

The analysis of changes in cash and cash equivalents during the period is as follows:

	£
Net cash inflow	7,982
Balance as at 30 June 1995	<u>7,982</u>

12.3 Analysis of the balance of cash and cash equivalents

The analysis of the balance of cash and cash equivalents is as follows:

	£
Cash at bank and in hand	7,982
	<u>7,982</u>

12.4 Analysis of changes in financing during the year

	Share capital £	Other loans £
Cash inflow from financing	100,000	4,326,441
	<u>100,000</u>	<u>4,326,441</u>

BECKWITH ASSET MANAGEMENT LIMITED

Notes to the Accounts

for the period ended 30 June 1995

(continued)

13. Holding Company

The Company's holding company is Beckwith Capital Partners PLC, a company registered in England and Wales. The Company's ultimate holding company is Pacific Investments Limited, a company registered in England and Wales, which is the smallest and largest group of which the Company is a member and for which group accounts are prepared. The consolidated accounts of that company can be obtained from the secretary at 195 Knightsbridge, London, SW7 1RE.