

Rothmans Finance plc
Registered Number 3562123

Directors' Report and Accounts

For the year ended 31 December 2002



Rothmans Finance plc

Contents

Directors' report.....	3
Report of the independent auditors to the members of Rothmans Finance plc	5
Balance sheet – 31 December 2002.....	6
Notes to the accounts – 31 December 2002	7

Rothmans Finance plc

Directors' report

The Directors present their report together with the audited accounts for the year ended 31 December 2002.

Principal activities

The Company was originally established to provide financing in the United Kingdom for the Rothmans International B.V. group of companies which, on 7 June 1999, became part of the British American Tobacco p.l.c. Group. Since then the Company's activities have been wound down and the Company is now no longer active.

Review of the year to 31 December 2002

During the year the Company did not trade and received no income and incurred no expenditure. Consequently, during the year, the Company made neither a profit nor a loss (2001: £nil). The Company is not expected to resume trading in the foreseeable future.

Board of Directors

The names of the persons who served as Directors of the Company during the period 1 January 2002 to the date of this report are as follows.

	Appointed	Resigned
Andrew Graham Cripps		
Alfred Michael Thomas English		
Christopher David Powell	30 July 2002	
Charl Erasmus Steyn		
Mark Anthony Oliver		31 July 2002

Directors' interests

The interests of those persons who were Directors at 31 December 2002 in the share capital and share option and award schemes of British American Tobacco p.l.c., and its subsidiaries, according to the register maintained under Section 325 of the Companies Act 1985, are shown in the Report and Accounts of Rothmans International Limited.

Statement of Directors' responsibilities

The following Statement sets out the responsibilities of the Directors in relation to the financial statements. The report of the independent auditors, shown on page 5, sets out their responsibilities in relation to the financial statements.

Rothmans Finance plc

Directors' report

Statement of Directors' responsibilities (continued)

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 as at the end of the financial year and of the profit or loss for the financial year. In preparing those financial statements, the Directors are required to:

- select appropriate accounting policies and 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; and
- prepare the financial statements on the going concern basis, unless they consider that to be inappropriate.

The Directors are responsible for ensuring that the Company keeps sufficient accounting records to disclose with reasonable accuracy 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 taking reasonable steps to safeguard the assets of the Company and in that context to have proper regard to the establishment of appropriate systems of internal control with a view to the prevention and detection of fraud and other irregularities.

The Directors are required to prepare the financial statements and to provide the auditors with every opportunity to take whatever steps and undertake whatever inspections the auditors consider to be appropriate for the purpose of enabling them to give their audit report.

The Directors consider that they have pursued the actions necessary to meet their responsibilities as set out in this statement.

Auditors

Following the conversion of the Company's auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 23 July 2003 and the Directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the annual general meeting.

On behalf of the Board



Director

23rd July 2003

Report of the independent auditors to the members of Rothmans Finance plc

We have audited the financial statements which comprise the balance sheet and the related notes.

Respective responsibilities of Directors and auditors

The Directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the Statement of Directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 1985. 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.

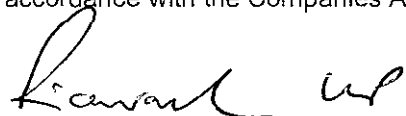
Basis of audit opinion

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 as at 31 December 2002 and of its results for the year ended and have been properly prepared in accordance with the Companies Act 1985.



23 July 2003

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors
1 Embankment Place
London
WC2N 6RH

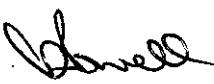
Rothmans Finance plc

Balance sheet – 31 December 2002

	<i>Note</i>	2002 £'000	2001 £'000
Current assets			
Debtors - amounts falling due within one year	5	100,095	100,095
Net current assets		100,095	100,095
Total assets less current liabilities		100,095	100,095
Capital and reserves			
Called up share capital	6	100,000	100,000
Profit and loss account	7	95	95
Total equity shareholders' funds	8	100,095	100,095

During the year the Company did not trade and received no income and incurred no expenditure. Consequently, during the year, the Company made neither a profit nor a loss (2001: £nil).

The financial statements on pages 6 to 8 were approved by the Directors on 23 July 2003 and signed on behalf of the Board.


Director
C J POWELL

Notes are shown on pages 7 to 8.

Rothmans Finance plc

Notes to the accounts – 31 December 2002

1 Accounting policies

A summary of the principal accounting policies is set out below.

(1) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable UK accounting standards.

(2) Cash flow statement

The Company is a wholly-owned subsidiary of British American Tobacco p.l.c. The cash flows of the Company are included in the consolidated cash flow statement of British American Tobacco p.l.c. which is publicly available. Consequently the Company is exempt under the terms of Financial Reporting Standard 1 (Revised) from publishing a cash flow statement.

2 Auditors' remuneration

Auditors' fees have been borne by a fellow group undertaking (2001: £nil).

3 Directors' remuneration

None of the Directors received any remuneration in respect of their services to the Company during the year (2001: £nil).

4 Employees and staff

There were no employees and no staff costs during the year (2001: £nil).

5 Debtors: amounts falling due within one year

	2002 £'000	2001 £'000
Amounts due from group undertakings	100,095	100,095

6 Called up share capital

Ordinary shares of £1 each	2002	2001
Authorised - value	£100,000,000	£100,000,000
- number	100,000,000	100,000,000
Allotted, called up and fully paid		
- value	£100,000,000	£100,000,000
- number	100,000,000	100,000,000

Rothmans Finance plc

Notes to the accounts – 31 December 2002

7 Reserves

	Profit and loss account £'000 95
1 January and 31 December 2002	

8 Reconciliation of movements in shareholders' funds

	2002 £'000	2001 £'000
Opening shareholders' funds	100,095	100,095
Closing shareholders' funds	100,095	100,095

9 Related parties

As a wholly-owned subsidiary, the Company has taken advantage of the exemption under paragraph 3(c) of Financial Reporting Standard 8 from disclosing transactions with other subsidiary undertakings of the British American Tobacco p.l.c. Group.

10 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. Its immediate parent undertaking is Rothmans International Limited. Group accounts are prepared only at the British American Tobacco p.l.c. level.

11 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