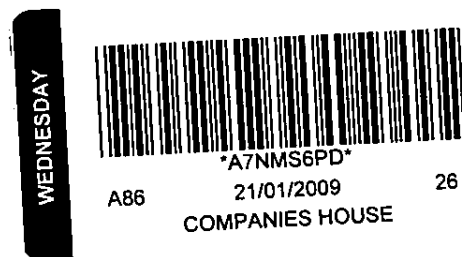


**RAYMOND JAMES FINANCIAL  
INTERNATIONAL LIMITED  
(REGISTERED NUMBER: 3127076)**

**Directors' Report and Accounts  
for the Year Ended 30 September 2008**



# **Raymond James Financial International Limited**

## **Directors' Report**

### **For the Year Ended 30 September 2008**

The Directors submit to the Shareholders their report and accounts for the year ended 30 September 2008.

#### **Principal Activities and Business Review**

The company is ordinarily engaged in the agency broking of transactions in primarily US equity securities with a targeted base of institutional customers. The company also earns interest on its cash and investment balances.

Performance of the company is measured with the following Key Point Indicators (KPIs).

- Commissions generated by individual brokers
- Commissions generated by individual clients
- Number of new accounts opened
- Number of existing accounts closed

As with all businesses RJFI faces a number of operating risks. This year RJFI's turnover has been primarily affected by the increasingly weak US Dollar versus European currencies, making US equities less attractive as investments, especially compared to buoyant European markets.

RJFI, like all brokerage firms, faces the issue that clients may elect to do their business elsewhere.

#### **Directors**

The Directors, who served for the whole year, are:

P Steinhäuser  
J Trocin

There are no disclosable directors' interests under Section 324 of the Companies Act 1985.

#### **Directors' Responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

**Raymond James Financial International Limited**  
**Directors' Report**  
**For the Year Ended 30 September 2008**

- 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 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 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. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Dividends**

The directors do not propose a dividend. (2007: \$nil)


**Auditors**

A resolution to reappoint KPMG Audit Plc as auditors to the company will be proposed at the Annual General Meeting.

**Disclosure of Information to Auditors**

So far as the directors are aware, as at the date of this Directors' report. There is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the Company's auditors are unaware, and they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant information and to establish that the Group's auditors are aware of that information.

By order of the Board



Paul Steinhauser  
Director

4-12 Norton Folgate  
London  
EI 6DB

**Independent auditors' report to the members of  
Raymond James Financial International Limited**

We have audited the financial statements of Raymond James Financial International Limited for the year ended 30 September 2008 which are comprised of the Profit and Loss Account and the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice) and are set out in the Statement of Directors' Responsibilities on page one. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2008 and of its loss for the year then ended;
- The financial statements have been properly prepared in accordance with the Companies Act 1985; and
- The information given in the Directors' Report is consistent with the financial statements.

KPMG Audit Plc

KPMG Audit Plc  
Chartered  
Accountants  
Registered Auditor  
London

7 January 2009

# Raymond James Financial International Limited

## Profit and Loss Account for the Year Ended 30 September 2008

	<i>Note</i>	<u>2008</u> USD	<u>2007</u> USD
Turnover	1	2,038,953	3,853,163
Cost of sales	1	(1,738,752)	(3,287,565)
Gross profit		300,201	565,598
Administrative Expenses		(625,773)	(724,868)
Operating loss		(325,572)	(159,270)
Interest receivable	1	71,315	115,131
Interest payable to group undertakings		-	-
Loss on ordinary activities before taxation	2	(254,257)	(44,139)
Taxation on loss on ordinary activities	4	-	-
(Loss) on ordinary activities after taxation	6, 7	(254,257)	(44,139)

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

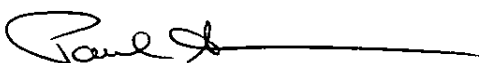
The notes on pages 7 to 10 form part of these accounts.

# Raymond James Financial International Limited

## Balance Sheet As at 30 September 2008

	<i>Note</i>	30 September 2008 USD	30 September 2007 USD
<b>Current assets</b>			
Cash at bank		1,789,971	2,392,925
Short term investment		1,727	1,683
Amounts owed by group undertakings		9,551	11,430
Debtors: Amounts due within one year	5	-	12,950
		1,801,249	2,418,988
<b>Creditors-Amounts falling due within one year</b>			
Amounts owed to group undertakings		(272,590)	(378,338)
Accruals		(62,390)	(320,124)
UK Corporation Tax		-	-
		(334,980)	(698,462)
<b>Net assets</b>		1,466,269	1,720,526
<b>Capital and reserves</b>			
Called up share capital	6	1,107,892	1,107,892
Share premium account	6	318,687	318,687
Profit and loss account	6	39,690	293,947
<b>Total shareholders' funds</b>	7	1,466,269	1,720,526

The financial statements were approved by the Board of Directors on 29 December 2008 and signed on their behalf by



Paul Steinhauser  
Director

The notes on pages 7 to 10 form part of these accounts.

# **Raymond James Financial International Limited**

## **Notes to the Accounts for the Year Ended 30 September 2008**

### **1. ACCOUNTING POLICIES**

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The company is exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with group entities.

#### **Turnover**

Turnover constitutes commission income generated from stockbroking activities, which is recognised at trade date.

#### **Cost of sales**

Cost of sales constitutes commission expense payable to the agents and clearing costs payable to Raymond James & Associates, Inc.

#### **Interest income**

Interest income is accounted for on an accrual basis.

#### **Cash Flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard 1 (revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

#### **Deferred Taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset is only recognised to the extent that it is regarded as recoverable. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis. The directors do not believe that there are any such timing differences at the balance sheet date.



# Raymond James Financial International Limited

## Notes to the Accounts for the Year Ended 30 September 2008

### 2. Profit on ordinary activities before taxation

	2008	2007
	USD	USD
Loss on ordinary activities before taxation is after charging:		
Auditors' remuneration		
- Audit	62,390	56,750

### 3. Directors' Remuneration and Staff Costs

The directors are employees another member company (Raymond James & Associates, Inc.) and are paid by this principal employer. Each director receives USD 1,000 as compensation for their services on the board. The average number of employees during the year was 1 (2007:2). Wages and salaries for the year amounted to USD 50,313 (2007: USD 110,490). Social security costs were USD 6,810 (2007: USD 12,987).

### 4. Taxation on the Profit for the Year

The charge in the profit and loss account, based on Corporation Tax rate of 30% is represented by:

	2008	2007
	USD	USD
Current tax:		
UK Corporation tax on losses of the year	-	-
Adjustment in respect of previous years	-	-
Total current tax (credit)/charge for the year	-	-

	2008	2007
	USD	USD
<i>Current tax reconciliation:</i>		
(Loss) on ordinary activities before tax	(254,257)	(44,139)
Current tax at 30% (2007: 30%)	(76,277)	(13,242)
<i>Effects of:</i>		
Expenses not deductible	-	-
Losses carried back	76,277	13,242
Total current tax charge (see above)	-	-

# Raymond James Financial International Limited

## Notes to the Accounts for the Year Ended 30 September 2008

### 5. Debtors: Amount due within one year

	2008 USD	2007 USD
Tax recoverable	-	12,950
	-	12,950

### 6. Share Capital and Reserves

	Called up Share Capital USD	Share Premium Account USD	Profit and Loss Account USD
At 30 September 2007	1,107,892	318,687	293,947
Issuance of Share Capital	-	-	-
Loss for the year	-	-	(254,257)
At 30 September 2008	1,107,892	318,687	39,690

Authorised share capital is represented by 20,000 ordinary shares of GBP 50 each (2007: 20,000).

Issued share capital is represented by 12,247 ordinary shares of GBP 50 each (2007: 12,247).

### 7. Reconciliation of Movements in Shareholders' Funds

	2008 USD	2007 USD
Opening shareholders' funds	1,720,526	1,764,665
Issuance of Share Capital	-	-
Share Premium	-	-
(Loss) for the year	(254,257)	(44,139)
Closing shareholders' funds	1,466,269	1,720,526

# **Raymond James Financial International Limited**

## **Notes to the Accounts for the Year Ended 30 September 2008**

### **8. Parent Companies**

The immediate parent company is Raymond James International Holdings, Inc. The ultimate parent company is Raymond James Financial, Inc. registered in the United States (Florida). Group accounts in respect of these companies may be obtained from the Company Secretary 4-12 Norton Folgate, London E1 6DB.

### **9. Post Balance Sheet Event**

There have been no post Balance Sheet Events.

### **10. Related party transactions**

As the company is a wholly owned subsidiary of Raymond James Financial, Inc, for which consolidated accounts are publicly available, it is exempt from the disclosure requirements of FRS8 in respect of transactions with other entities within the Raymond James group.