

RZH Corporate Finance Limited

Financial statements 30 September 1997
together with directors' and auditors' reports

Registered number: 3218624



Directors' report

For the period ended 30 September 1997

The directors present their report on the affairs of the company, together with the financial statements and auditors' report, for the financial year ended 30 September 1997.

Principal activity

The company did not trade during the year.

Directors and their interests

The directors who served during the period are as shown below.

C.A. Crick

O.A. Hemsley

M.S. Rosenberg

R.J. Griffiths-Jones (resigned 15 July 1997)

J.H. Harrison (appointed 21 January 1997)

Oliver A. Hemsley owns one share in the company.

No director had any beneficial interest in the shares of the company. Their beneficial interests in shares of the ultimate parent company, Raphael Zorn Hemsley Holdings PLC, are disclosed in the accounts of that company.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of any 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' report (continued)

Directors' responsibilities (continued)

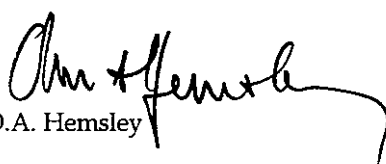
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with the Companies Act 1985, a resolution will be proposed at the Annual General Meeting to reappoint Arthur Andersen as auditors for the ensuing year.

138 Cheapside
London
EC2V 6BJ

By order of the Board,


O.A. Hemsley

Director

17 December 1997

Auditors' report

London

To the Shareholders of RZH Corporate Finance Limited.

We have audited the accounts on pages 4 and 5 which have been prepared under the historical cost convention and the accounting policies set out on page 4.

Respective responsibilities of directors and auditors

As described on pages 1 and 2, the company's directors are responsible for the preparation of the financial statements and it is our responsibility to form an independent opinion, based on our audit, on those financial 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 company's state of affairs at 30 September 1997 and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen
Chartered Accountants and Registered Auditors

1 Surrey Street
London
WC2R 2PS

17 December 1997

Balance sheet

30 September 1997

	1997 £	1996 £
Current assets		
Debtors	1,000	2

Representing:

	Year ended 30 September 1997		Period ended 30 September 1996	
	Authorised £	Issued and fully-paid £	Authorised £	Issued and fully-paid £
Share capital				
Ordinary shares of £1 each	1,000	1,000	1,000	2

Signed on behalf of the Board

O.A. Hemsley



Director

17 December 1997

Notes to the financial statements

- 1) The company receives no income and all expenses are paid and borne by Raphael Zorn Hemsley Holdings PLC, its immediate parent company. Accordingly, no profit and loss account is presented.
- 2) As the company's immediate parent company, Raphael Zorn Hemsley Holdings PLC, prepares a consolidated cash flow statement, the directors have taken advantage of the exemption from preparing a cash flow statement for the company, as provided for in Financial Reporting Standard No. 1.
- 3) The current period for which the accounts have been prepared refers to the year ended 30 September 1997. The comparative figures for the previous period refer to the period from 28 June 1996 to 30 September 1996. The company was incorporated on 28 June 1996.

Notes to the financial statements (continued)

- 4) The immediate and ultimate parent company is Raphael Zorn Hemsley Holdings PLC, which is registered in England and Wales. The Raphael Zorn Hemsley Holdings PLC accounts are the only ones in which the results of the company are consolidated. These are available to the general public.
- 5) The company issued 998 ordinary £1 shares during the year to the ultimate parent company, Raphael Zorn Hemsley Holdings PLC.