

Registration Number 3633621

Investec plc

Report and Financial Statements

31 March 2002



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DIRECTORATE AND CORPORATE INFORMATION

BOARD OF DIRECTORS

B Kantor

J N Abell

SECRETARY

R J Vardy

AUDITOR

Ernst & Young LLP

Rolls House

7 Rolls Buildings

Fetter Lane

London EC4A 1NH

COMPANY REGISTRATION

Registration Number 3633621

Registered Office: 2 Gresham Street

London, EC2V 7QP

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 March 2002.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of an investment holding company and it will continue to operate in this capacity for the foreseeable future.

On 27 December 2001, the Company's subsidiary undertaking, Investec Holding Company Limited, acquired 45.6% of the share capital of Investec Holdings Australia Limited financed by a loan of Australian \$ 132,957,611 from a group undertaking.

DIVIDEND

The directors do not recommend the payment of a dividend for the year ended 31 March 2002 (2001 - nil).

DIRECTORS

The current directors of the Company are listed on page 1. Messrs H Herman and S Koseff resigned as directors of the Company and Messrs B Kantor and J N Abell were appointed as directors of the Company on 19 March 2002.

None of the directors had any interests requiring disclosure under Schedule 7 of the Companies Act 1985.

POST BALANCE SHEET EVENTS

On 19 June 2002 the company issued 3,300 ordinary shares of £0.10 each to group companies for a total consideration of £3,630,000 to eliminate the deficit on shareholders funds.

AUDITORS

Ernst & Young were appointed as auditors of the Company on 27 November 2000. On 28 June 2001, Ernst & Young transferred its entire business to Ernst & Young LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Directors consented to treating the appointment of Ernst & Young as extending to Ernst & Young LLP with effect from 28 June 2001.

On behalf of the Board of Directors



R J Vardy
Secretary
19 June 2002

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 year.

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;
- ◆ 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial positions of the Company 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.

REPORT OF THE AUDITOR

Independent auditor's report to the members of Investec plc

We have audited the group's financial statements for the year ended 31 March 2002 which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Company Balance Sheet and the related notes 1 to 12. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 with the group 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 United Kingdom 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 group'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 gives a true and fair view of the state of affairs of the company and of the group as at 31 March 2002 and of the loss of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
London
25 June 2002

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2002

	Notes	31/3/02 £	31/3/01 £
Administrative expenses		(13,756)	(105)
Share of loss of associate		(719,127)	-
Amortisation of goodwill arising on acquisition of associate	4	(71,947)	-
OPERATING LOSS		<u>(804,830)</u>	<u>(105)</u>
Interest receivable from group undertakings		61,357	807
Interest payable to group undertakings		<u>(765,819)</u>	<u>-</u>
(LOSS) /PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,509,292)	702
Taxation	3	50,461	-
(LOSS) /PROFIT FOR THE YEAR		<u>(1,458,831)</u>	<u>702</u>

There is no material difference between the results disclosed in the profit and loss account and the results on an unmodified historical cost basis.

The notes on pages 8 to 12 form part of these financial statements.

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Notes	31/3/02 £	31/3/01 £
(LOSS)/ PROFIT FOR THE YEAR		(1,458,831)	702
Currency translation differences on foreign currency net investments		(149,402)	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		<u>(1,608,233)</u>	<u>702</u>

Investec plc

CONSOLIDATED BALANCE SHEET

at 31 March 2002

	Notes	31/3/02 £	31/3/01 £
FIXED ASSETS			
Investments	4	48,866,713	-
CURRENT ASSETS			
Cash at bank		48,539	62,935
Other debtors	6	162,621	150,515
		<u>211,160</u>	<u>213,450</u>
CREDITORS FALLING DUE WITHIN ONE YEAR	7	<u>(162,020)</u>	<u>(162,748)</u>
NET CURRENT ASSETS		<u>49,140</u>	<u>50,702</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>48,915,853</u>	<u>50,702</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	8	<u>(50,473,384)</u>	<u>-</u>
TOTAL ASSETS LESS LIABILITIES		<u>(1,557,531)</u>	<u>50,702</u>
CAPITAL AND RESERVES			
Called up share capital	9	50,000	50,000
Profit and loss account	10	(1,607,531)	702
		<u>(1,557,531)</u>	<u>50,702</u>

The financial statements on pages 5 to 12 were approved by the Board of Directors on 11 June 2002 and signed on its behalf by:


B Kantor
Director

Investec plc

BALANCE SHEET

at 31 March 2002

	Notes	31/3/02 £	31/3/01 £
INVESTMENTS			
Shares in subsidiary undertakings	5	<u>61,986</u>	<u>62,814</u>
CURRENT ASSETS			
Other debtors	6	50,000	50,000
CREDITORS FALLING DUE WITHIN ONE YEAR	7	<u>(61,986)</u>	<u>(62,814)</u>
NET CURRENT LIABILITIES		<u>(11,986)</u>	<u>(12,814)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>50,000</u>	<u>50,000</u>
CAPITAL AND RESERVES			
Called by equity share capital	9	<u>50,000</u>	<u>50,000</u>

The financial statements on pages 5 to 12 were approved by the Board of Directors on 11 June 2002 and signed on its behalf by:



B Kantor
Director

NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards as defined in s256 of the Companies Act 1985.

Applicability of going concern basis

As set out in note 12 on post balance events, on 19 June 2002 the Company's capital base was increased by £3.63million as a result of the issue of 3.3million ordinary shares of £0.10. This transaction will have the effect of eliminating the deficit on Shareholder's Funds. The directors believe that it is therefore appropriate to prepare the accounts on a going concern basis.

Basis of consolidation

The group financial statements consolidate the financial statements of Investec plc and its subsidiary undertakings made up for the years to 31 March 2001 and 2002.

Entities, other than subsidiary undertakings, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence are treated as associates. In the group accounts, associates are accounted for using the equity method.

Goodwill arising on acquisition (representing the difference between the fair value of the consideration given and the fair value of the separable net assets acquired) is capitalised as an intangible fixed asset and amortised on a straight line basis over its expected useful life, subject to maximum period of 20 years.

Investments in subsidiaries

Investments in subsidiaries are shown at cost less any provision for impairment in value.

Cash flow statement

The company is exempt from the requirements to prepare a cash flow statement under Financial Reporting Standard 1, because a consolidated cash flow statement is included in the publicly available consolidated financial statements of its ultimate holding company, Investec Holdings Limited.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

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 a 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. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods.

Deferred tax is recognised in respect of the future remittance of retained earnings of overseas subsidiaries only to the extent that, at balance sheet date, dividends have been accrued as receivable (or a binding agreement to distributed past earnings in future has been entered into by the subsidiary).

Deferred tax is measured at a non-discounted basis at the 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 at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2002

1. ACCOUNTING POLICIES (CONTINUED)**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at market rates of exchange ruling at the balance sheet date. All foreign currency transactions are translated into sterling at the exchange rates ruling at the time of the transaction. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account with the exception of differences on foreign currency borrowings to the extent that they are used to finance or provide a hedge against equity investments in foreign enterprises, which are taken directly to reserves together with the exchange difference on the net investment in these enterprises.

The results of foreign associates are translated at weighted average rates of exchange for the relevant period. The difference between the profit and loss translated at an average rate and the closing rate is recorded as a movement on reserves.

Related party transactions

The directors have taken advantage of the exemptions available in Financial Reporting Standard 8 from disclosing transactions with related parties which are members of the Investec Holdings Limited Group.

2. PROFIT AND LOSS ACCOUNT

The directors' emoluments and auditors' remuneration have been borne by the parent company. The directors were employed and remunerated as directors or executives of Investec Group Limited and its subsidiaries ("the Group") in respect of their services to the Group as a whole, and it is therefore considered that there is no appropriate basis on which they can apportion part of their remuneration for their services to the company.

The Company has taken advantage of the exemption in s230 of the Companies Act 1985 not to present its own profit and loss account. The Company has made neither profit nor loss nor any other recognised gains or losses during the current or preceding financial year.

3. TAXATION

	31/3/02 £	31/3/01 £
Share of tax credit of associate	50,461	-
	<u>50,461</u>	<u>-</u>

No payment was received for the group relief surrendered for the loss for the period.

4. INVESTMENTS**Investment in Associate**

	Share of net tangible assets £	Goodwill £	Total £
At beginning of year	-	-	-
Additions	45,110,853	1,438,939	46,549,792
Exchange movements	3,107,802	99,134	3,206,936
Share of loss	(818,068)		(818,068)
Amortisation of goodwill	-	(71,947)	(71,947)
At end of year	<u>47,400,587</u>	<u>1,466,126</u>	<u>48,866,713</u>

NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2002

4. INVESTMENTS (CONTINUED)

On 27 December 2001, the Company's subsidiary undertaking, Investec Holding Company Limited, acquired 45.6% of the share capital of Investec Holdings Australia Limited ("IHAL") financed by a loan of Australian \$ 132,957,611 from a group undertaking. IHAL is incorporated in Australia and is the holding company of a banking institution. Goodwill arising on the acquisition is being amortised over the directors' estimate of its useful economic life of five years.

5. SHARES IN SUBSIDIARY UNDERTAKINGS

	31/3/02	31/3/01
	£	£
At beginning of year	62,814	-
Additions	-	62,814
Exchange movements	(828)	-
At end of year	61,986	62,814

Principal operating subsidiary	Country of incorporation	Holding	Nature of business
Investec Holding Company Limited	United Kingdom	100%	Holding company
Investec Mauritius BV	The Netherlands	100%	Holding company
Investec (Overseas Holdings) BV	The Netherlands	100%	Holding company
Invego Belgium BV	The Netherlands	100%	Holding company

6. OTHER DEBTORS

	31/3/02		31/03/01	
	£	£	£	£
	Group	Company	Group	Company
Amounts owed by group undertakings	162,392	50,000	150,515	50,000
Accrued income	229	-	-	-
	162,621	50,000	150,515	50,000

The amounts owed by group undertakings are payable on demand.

7. CREDITORS FALLING DUE WITHIN ONE YEAR

	31/03/02		31/03/01	
	£	£	£	£
	Group	Company	Group	Company
Amount due to group undertakings	161,986	61,986	162,714	62,814
Accruals and deferred income	34	-	34	-
	162,020	61,986	162,748	62,814

NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2002

8. CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR

	31/03/02		31/03/01	
	£	£	£	£
	Group	Company	Group	Company
Amount due to group undertakings	50,473,384	-	-	-
	<u>50,473,384</u>	<u>-</u>	<u>-</u>	<u>-</u>

The amount due to group undertakings relates to a loan of Australian \$135,139,844 from Investec Bank (Mauritius) Limited to Investec Holding Company Limited ("IHC") drawn down on 27 December 2001 to finance IHC's investment in Investec Holdings Australia Limited. The loan bears interest at a fixed rate of 5.53385% and is repayable on 23 December 2003.

9. CALLED UP SHARE CAPITAL

	31/3/02	31/3/01
	£	£
Authorised:		
10,000,000,000 ordinary shares of 10p each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
	1,000,000,000	1,000,000,000
Allotted, called up and fully paid		
500,000 ordinary shares of 10p each	<u>50,000</u>	<u>50,000</u>
	50,000	50,000

10. PROFIT AND LOSS ACCOUNT

	31/3/02		31/3/01	
	£	£	£	£
	Group	Company	Group	Company
At beginning of year	702	-	-	-
(Loss) / Profit for the year	(1,458,831)	-	702	-
Currency translation differences on Foreign currency net investments	(149,402)	-	-	-
At end of year	<u>(1,607,531)</u>	<u>-</u>	<u>702</u>	<u>-</u>

11. RECONCILIATION OF SHAREHOLDERS' EQUITY

	31/3/02		31/3/01	
	£	£	£	£
	Group	Company	Group	Company
Issue of shares	-	-	49,998	49,998
Total recognised gains and losses	(1,608,233)	-	702	-
Opening shareholders' equity	<u>50,702</u>	<u>50,000</u>	<u>2</u>	<u>2</u>
Closing shareholders' equity	<u>(1,557,531)</u>	<u>50,000</u>	<u>50,702</u>	<u>50,000</u>

NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2002

12. POST BALANCE SHEET EVENTS

On 19 June 2002 the company issued 3,300 ordinary shares of £0.10 each to group companies for a total consideration of £3,630,000 to eliminate the deficit on shareholders funds.

13. ULTIMATE HOLDING COMPANY

The immediate parent undertaking is Investec Group Limited.

The ultimate parent undertaking and controlling party is Investec Holdings Limited, a company incorporated in the Republic of South Africa and quoted on the Johannesburg Stock Exchange.

The consolidated financial statements of this Group are available to the public and may be obtained from Investec Holdings Limited's principal place of business: 100 Grayston Drive, Sandown, Sandton, 2196, South Africa or from Investec Holdings (UK) Limited at 2 Gresham Street, London, EC2V 7QP.