Registered Number : 101625

Witan Investment Company plc

Unaudited Interim Accounts
For the 6 months ended 30 June 1996

Prepared for the purposes of Section 270 of the Companies Act 1985

Witan Investment Company plc

Revenue Account
For the 6 months ended 30 June 1996

	Six months ended 30 June 1996	Year ended 31 December 1995
	£'000	£'000
Income from fixed asset investments		
Franked	**16,791**	28,363
Unfranked	**6,629**	13,067
	23,420	41,430
Other interest receivable and similar income		
Interest on short term deposits	**1,694**	972
Other income	**484**	998
Gross revenue	**25,598**	43,400
Administrative expenses	**(2,334)**	(4,099)
Net revenue before interest payable and taxation	**23,264**	39,301
Interest payable	**(3,714)**	(7,849)
Net revenue on ordinary activities before taxation	**19,550**	31,452
Taxation on net revenue on ordinary activities	**(4,195)**	(6,014)
Net revenue on ordinary activities after taxation	**15,355**	25,438
Dividends		
Preference	**(42)**	(83)
Interim ordinary proposed @ 3.05p (1995: 2.95p)	**(11,447)**	(11,071)
Final ordinary @ 3.50p	**-**	(13,136)
	(11,489)	(24,290)
Transfer to revenue reserve	**3,866**	1,148
Earnings per ordinary share	**4.08p**	6.76p

Witan Investment Company plc

Balance Sheet
As at 30 June 1996

	30 June 1996	31 December 1995
	£'000	£'000
Fixed asset investments		
Listed in the United Kingdom	748,891	728,662
Listed abroad	452,049	395,284
Unlisted	15,995	15,242
	1,216,935	1,139,188
Current assets		
Debtors	21,009	12,793
Cash at bank and short term deposits	36,558	65,783
	57,567	78,576
Creditors: Amounts falling due within one year	(69,541)	(75,801)
Net current assets	(11,974)	2,775
Total assets less current liabilities	1,204,961	1,141,963
Creditors: Amounts falling after more than one year	(46,000)	(48,000)
Total net assets	1,158,961	1,093,963
Capital and reserves		
Preference share capital	2,555	2,555
Called-up share capital	93,826	93,826
Share premium	15,798	15,798
Other non-distributable reserves	1,026,705	965,573
Revenue reserve	20,077	16,211
Ordinary shareholders' funds	1,156,406	1,091,408
	1,158,961	1,093,963

.... Director

The interim accounts were approved by the directors on 24 July 1996.

Witan Investment Company plc

Notes to the Interim Accounts

1. Accounting policies

(i) The accounts have been prepared on the historical cost basis of accounting, modified to include the revaluation of certain investments, and in accordance with applicable accounting standards. All the Company's operations are of a continuing nature.

(ii) Listed and certain unlisted investments in the United Kingdom are valued at their middle market prices, and elsewhere at either their closing or middle prices as published by various recognised sources. Other unlisted investments are valued by the directors according to information available. Exchange property is valued at the lower of the exchange value and market value. Listed investments include authorised UK unit trusts and are classified for valuation purposes according to the principal geographical area of the underlying holdings.

(iii) Where the Company holds investments representing more than 20% of a class of equity share capital, they are not accounted for as associated undertakings if, in the opinion of the directors, the Company does not exercise significant influence over the financial or operating policies of the investee companies.

(iv) All foreign currency assets and liabilities including futures are converted into sterling at the closing rate of exchange ruling at the balance sheet date. Profits and losses arising therefrom are taken direct to reserves.

(v) Realised and unrealised capital gains and losses on investments, together with exchange differences arising on the translation of foreign currency gains assets and liabilities, are dealt with in the non-distributable reserves.

(vi) Deferred taxation is provided for at the anticipated future tax rate on all timing differences only where there is a reasonable probability that the related asset or liability will crystallise.

2. As from 1 January 1996 the Company has adopted the recommendations of the Statement of Recommended Practice "Financial Statements of Investment Trust Companies" (SORP). This has resulted in certain accounting policy changes, details of which are given in note 3 below.

Notes to the Interim Accounts - Continued

3. As stated in the Company's annual report for the year ended 31 December 1995, a change in accounting policy was made during that year, whereby dividend income from equity and preference shares was credited to the revenue account on an ex-dividend basis. This represented a change from previous years, when dividend income was recognised where the dates of payment fell within the year. Whilst this new policy was effective from 1 January 1995, the change was not implemented until after the results for the six months ended 30 June 1995 had been reported. A prior year adjustment was made in the audited accounts for the year ended 31 December 1995. Consequently, the comparative figures for the six months ended 30 June 1995 have been restated from those previously reported in order to reflect this change in accounting policy. The effect of this change is to increase net revenue after taxation for the half year to 30 June 1995 by £481,000 an to increase the retained revenue reserve as at 1 January 1995 by £4,593,000.

4. Income from fixed interest debt securities and preference shares is recognised on a time apportionment basis so as to reflect the effective yield on these securities, as required by the SORP. Previously, income from fixed interest securities was recognised on a time apportionment basis, based on the coupon rate of each such security, and income from preference shares was recognised on an ex-dividend basis. The effect of these changes was to increase net revenue after taxation for the half year ended 30 June 1996 by £63,000. No prior year adjustment has been made because the amounts involved are not considered to be material, and consequently the comparatives shown for the half year ended 30 June 1995 and for the year ended 31 December 1995 have not been restated in this context.

5. Includes £52,116,000 (1995: £56,250,000) 6¼% exchangeable bond 2008, after allowing for redemptions during the period of £4,134,000.

6. The figures and financial information for the year ended 31 December 1995 are extracted from the latest published accounts of the Company and do not constitute statutory accounts for that year. These accounts have been delivered to the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement either under section 237(2) or 237(3) of the Companies Act 1985.

Notes to the Interim Accounts - Continued

2. Revenue reserve

	£'000
At 1 January 1996	16,211
Retained revenue for the period	3,866
At 30 June 1996	**20,077**