

# Investec plc parent company accounts

## Balance sheet

At 31 March £'000	Notes	2007	2006
<b>Assets</b>			
Cash at bank and in hand:			
- balances with subsidiary undertaking		43 855	75 885
- balances with other banks		997	1 408
Amounts owed by group undertakings		377 030	230 759
Investments in subsidiaries	b	421 446	421 446
Tax		11 896	9 787
Other assets		30	50
Prepayments and accrued income		-	1 493
		<b>855 254</b>	<b>740 828</b>
<b>Liabilities</b>			
Bank loans	c	137 262	138 930
Amounts owed to group undertakings		145 834	141 802
Other liabilities		1 023	1 546
Accruals and deferred income		3 993	13 937
		<b>288 112</b>	<b>296 215</b>
<b>Equity</b>			
Called up share capital	d	122	119
Share premium	d	422 229	393 267
Perpetual preference shares	d	129 558	-
Capital redemption reserve	d	50	50
Treasury shares	d	(1 197)	(2 309)
Profit and loss account	d	16 380	53 486
		<b>567 142</b>	<b>444 613</b>
<b>Total equity</b>		<b>567 142</b>	<b>444 613</b>
<b>Total equity and liabilities</b>		<b>855 254</b>	<b>740 828</b>

# Notes to Investec plc parent company accounts

## a. Accounting policies

### Basis of preparation

The parent company accounts of Investec plc are prepared under the historical cost convention and in accordance with UK Accounting Standards.

### Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at exchange rates 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. Forward foreign exchange contracts are revalued at the market rates ruling at the date applicable to their respective maturities. 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.

### Investments

Investments are stated at cost less any impairment in value.

### Income

Dividends from subsidiaries are recognised when paid. Interest is recognised on an accruals basis.

### Taxation

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

## b. Investments in subsidiaries

£'000

At beginning and end of year

421 446

c. The company drew down on two Schuldschein loans of €100 million on 8 and 9 of March 2006. These loans each bear interest at 90 basis points above three month EURIBOR and are repayable on 8 and 9 of March 2011.

## d. Statement of changes in shareholders equity

£'000	Share capital	Share premium	Perpetual preference shares	Treasury shares	Capital redemption reserves	Profit and loss account	Total reserves
At 1 April 2006	119	393 267	-	(2 309)	50	53 486	444 613
Allotment of special converting shares	2	-	-	-	-	-	2
Issue expenses	-	(23)	(1 629)	-	-	-	(1 652)
Issue of ordinary shares	1	28 985	-	-	-	-	28 986
Issue perpetual preference shares	-	-	131 187	-	-	-	131 187
Share based payments adjustment	-	-	-	1 112	-	(1 112)	-
Profit for the year	-	-	-	-	-	31 959	31 959
Dividends paid to ordinary shareholders	-	-	-	-	-	(67 953)	(67 953)
<b>At 31 March 2007</b>	<b>122</b>	<b>422 229</b>	<b>129 558</b>	<b>(1 197)</b>	<b>50</b>	<b>16 380</b>	<b>567 142</b>

### Parent company profit and loss account

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's profit for the year, determined in accordance with the Act, was £30 847 271 (2006 - £81 348 781).

### Treasury shares

£'000

	2007	2006
<b>Treasury shares held by Investec plc</b>		
Investec plc ordinary shares	1 197	2 309
<b>Number of Investec plc ordinary shares held by Investec plc</b>	<b>Number</b>	<b>Number</b>
At 1 April	100 000	100 000
Restated for effect of 1:5 share split	400 000	-
At 31 March	500 000	100 000
<b>Reconciliation of treasury shares</b>		
At 1 April	2 309	-
Purchase of own shares by Investec plc	-	2 634
Share based payments adjustment	(1 112)	(325)
At 31 March	1 197	2 309
<b>Market value of treasury shares</b>	<b>3 290</b>	<b>2 941</b>

The Treasury shares are being held in an employee benefit trust in relation to the Investec Share Matching Plan 2005. Dividends on treasury shares have not been included in the profit and loss account.