

Britannic Superannuation Fund Nominees Limited

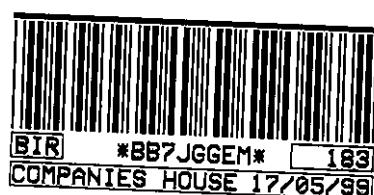
Directors' Report

and

Financial Statements

For the year ended

31 December 1998



Registered in England No: 382945

Britannic Superannuation Fund Nominees Limited

Report of the Directors

The directors present their report and audited financial statements for the year ended 31 December 1998.

Principal activity

The Company acts as Custodian Trustee for the Britannic Assurance plc Staff Superannuation Fund.

Results for the year

The Company has not traded during the year.

Directors

The following directors have served during the year:

Brian Shaw

Maria-Luisa (Marisa) Cassoni (appointed 15 June 1998)

David Barnes (resigned 15 June 1998)

Brian Shaw, together with David Barnes until his resignation on 15 June 1998, and then with Marisa Cassoni from that date, jointly held nine £1 Ordinary shares during the year.

Auditors

In accordance with Section 385 of the Companies Act 1985 a resolution for the re-appointment of Clement Keys as auditors of the Company is to be proposed at the Annual General Meeting.

By order of the Board



G Maryjoy White
Secretary

22 February 1999

1 Wythall Green Way
Wythall
Birmingham B47 6WG

Britannic Superannuation Fund Nominees Limited

Statement of Directors' Responsibilities

Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that year. In preparing those financial statements, the directors are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- (d) 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 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 Auditors to the Members of Britannic Superannuation Fund Nominees Limited

We have audited the financial statements set out on pages 4 and 5.

Respective responsibilities of directors and auditors

As described on page 2, the directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 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 state of the Company's affairs at 31 December 1998 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.


Clement Keys
Chartered Accountants
Registered Auditors
Nettleton House
Calthorpe Road
Birmingham B15 1RL

22 February 1999

Britannic Superannuation Fund Nominees Limited

Balance Sheet as at 31 December 1998

	Notes	1998	1997
		£	£
Current assets			
Cash at bank		<u>10</u>	<u>10</u>
Share capital			
Share capital	2	<u>10</u>	<u>10</u>
Equity shareholders' funds		<u>10</u>	<u>10</u>

The financial statements were approved by the Board of Directors on 22 February 1999 and signed on its behalf by:



Marisa Cassoni
Director

Britannic Superannuation Fund Nominees Limited

Notes to the Financial Statements

1. Accounting policies

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

2. Share capital	1998	1997
	£	£
Authorised Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and fully paid Ordinary shares of £1 each	<u>10</u>	<u>10</u>

3. Profit and loss account

The company has not traded during the year. It has received no income and incurred no expenditure and accordingly a profit and loss account has not been prepared.