

1157263

# London and Manchester Property Asset Management Limited

Report & Financial Statements  
for the year ended  
31 December 2003

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ISIS Asset Management plc  
80 George Street  
Edinburgh EH2 3BU  
Telephone: 0131 465 1000  
Facsimile: 0131 225 2375

ISIS Asset Management plc is regulated by  
the Financial Services Authority



# **LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED**

## ***DIRECTORS AND ADVISERS***

**REGISTERED NUMBER:**

1107263

**DIRECTORS:**

H Carter  
P A K Arthur  
K J Back  
N Criticos  
I J Paterson Brown  
R E Talbut

**SECRETARIES:**

ISIS Asset Management plc  
80 George Street  
Edinburgh  
EH2 3BU

**REGISTERED OFFICE:**

Pixham End  
Dorking  
Surrey  
RH4 1QA

**SOLICITORS:**

Shepherd+ Wedderburn  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2ET

**AUDITORS:**

Ernst & Young LLP  
Registered Auditor  
Ten George Street  
Edinburgh  
EH2 2DZ

# **LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED**

## **REPORT OF THE DIRECTORS**

The directors present their annual report and audited financial statements for the year ended 31 December 2003.

## **PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The principal activity of the company is to provide property management services on an agency basis.

The company did not trade during 2003.

## **RESULTS AND DIVIDENDS**

The accounts show a loss after tax of £1,631 (2002: £1,127). The directors do not recommend the payment of an ordinary dividend (2002: £nil) leaving a loss of £1,631 (2002: £1,127) to be transferred from reserves.

## **DIRECTORS AND THEIR INTERESTS**

The directors who served during the year were as follows:

H Carter  
P A K Arthur  
K J Back  
N Criticos  
I J Paterson Brown  
R E Talbut

No director has any beneficial interest in the share capital of the company.

The beneficial interests of the directors in the share capital of ISIS Asset Management plc, the parent undertaking, are:

	At 31 December 2003		At 31 December 2002	
	Ord Shares	Options	Ord Shares	Options
H Carter	42,850	532,338	42,461	363,553
P A K Arthur	9,389	420,523	9,000	284,112
K J Back	6,308	393,120	5,919	271,098
N Criticos	10,389	327,718	10,000	-
I J Paterson Brown	194,560	329,085	194,171	239,256
R E Talbut	20,000	366,626	20,000	-

# LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED

## REPORT OF THE DIRECTORS (Continued)

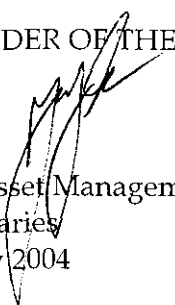
The beneficial interests of the directors in the share capital of the ultimate parent undertaking, Friends Provident plc, are:

	Ord shares	
	At 31 December 2003	At 31 December 2002
H Carter	24,560	24,560
P A K Arthur	5,110	5,110
K J Back	1,180	1,180
N Criticos	-	-
I J Paterson Brown	-	-
R E Talbut	-	-

## AUDITORS

A resolution to re-appoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD



ISIS Asset Management plc  
Secretaries  
28 July 2004

# **LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The following statement, which should be read in conjunction with the Independent Auditors' Report: "Respective responsibilities of directors and auditors", set out on page 5, is made with a view to distinguishing for members the respective responsibilities of the directors and of the auditors in relation to the financial statements.

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss for the financial year.

The directors consider that in preparing the financial statements on pages 6 to 11, the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed (subject to any material departures disclosed and explained in the notes to the financial statements).

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the company at that time and which enable them to ensure that the financial statements comply with the Companies Act 1985. They also have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# **LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED**

We have audited the company's financial statements for the year ended 31 December 2003 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 11. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **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 Report of the Directors 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 company is not disclosed.

We read the Report of the Directors 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 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 state of affairs of the company as at 31 December 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered Auditor  
Edinburgh  
28 July 2004

# **LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED**

## ***PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003***

	Notes	2003 £	2002 £
Administrative expenses		<u>(2,304)</u>	<u>(3,500)</u>
<b>OPERATING LOSS</b>	2	(2,304)	(3,500)
Interest and charges payable		(59)	(20)
Interest receivable	4	<u>33</u>	<u>1,910</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(2,330)	(1,610)
Tax on loss on ordinary activities	5	<u>699</u>	<u>483</u>
<b>RETAINED LOSS FOR THE YEAR TRANSFERRED FROM RESERVES</b>	9	<u>(1,631)</u>	<u>(1,127)</u>

The above amounts relate to continuing operations.

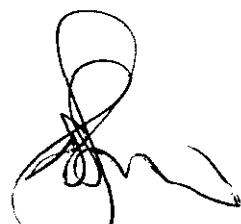
The company has no recognised gains or losses other than those shown in the profit and loss account above for each year.

The accounting policies on page 8 and the notes on pages 8 to 11 form an integral part of these financial statements.

# LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2003

	Notes	31 December 2003 £	31 December 2002 £
<b>CURRENT ASSETS</b>			
Debtors	6	113,350	108,153
Cash at bank and in hand		<u>943</u>	<u>2,771</u>
		114,293	110,924
<b>CREDITORS: Amounts falling due within one year</b>	7	<u>(47,200)</u>	<u>(42,200)</u>
<b>NET CURRENT ASSETS</b>		<u>67,093</u>	<u>68,724</u>
<b>NET ASSETS</b>		<u>67,093</u>	<u>68,724</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	8	1,000	1,000
Profit and loss account	9	<u>66,093</u>	<u>67,724</u>
<b>TOTAL SHAREHOLDER'S FUNDS</b>	9	<u>67,093</u>	<u>68,724</u>



K J Back  
Director  
28 July 2004

The accounting policies on page 8 and the notes on pages 8 to 11 form an integral part of these financial statements.



# LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

#### *Basis of preparation*

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### *Deferred taxation*

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 have occurred at that date that will result in an obligation to pay less or receive more tax.

#### *Cash flow statement*

The company has taken advantage of the exemptions of FRS1 (revised) and has elected not to prepare its own cash flow statement as it is included within the consolidated cash flow statement in the accounts of ISIS Asset Management plc, its parent undertaking.

### 2. OPERATING LOSS

This is stated after charging:

	2003 £	2002 £
Auditors' remuneration – audit fees	1,200	1,200
Auditors' remuneration – non-audit fees	<u>1,000</u>	<u>2,300</u>

The company had no employees during the year ended 31 December 2003 (2002: nil).

# LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 3. DIRECTORS' EMOLUMENTS

No director received any emoluments in respect of services to the company for the year to 31 December 2003 (2002: £Nil).

The emoluments of H Carter, P A K Arthur, K J Back, N Criticos, I J Paterson Brown and R E Talbut are shown in the accounts of ISIS Asset Management plc, the immediate parent undertaking.

### 4. INTEREST RECEIVABLE

	2003 £	2002 £
Bank interest	<u>33</u>	<u>1,910</u>

### 5. TAX ON LOSS ON ORDINARY ACTIVITIES

	2003 £	2002 £
<b>UK Corporation Tax</b>		
UK Corporation Tax on losses for the year	(699)	(483)
<b>Total current tax credit for the year</b>	<u>(699)</u>	<u>(483)</u>
<b>Factors affecting the tax credit for the year</b>		
Loss on ordinary activities before tax	<u>(2,330)</u>	<u>(1,610)</u>
Loss on ordinary activities multiplied by the tax rate of 30.00% (2002: 30.00%)	(699)	(483)
<b>Current tax credit for the year</b>	<u>(699)</u>	<u>(483)</u>

# LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 6. DEBTORS

	31 December 2003 £	31 December 2002 £
Amounts due within one year:		
VAT recoverable	-	35
Corporation tax receivable	699	-
Amounts due from fellow subsidiary undertakings	4,533	-
Group relief receivable	<u>108,118</u>	<u>108,118</u>
	<u>113,350</u>	<u>108,153</u>

### 7. CREDITORS

	31 December 2003 £	31 December 2002 £
Amounts falling due within one year:		
Loan from fellow subsidiary undertaking	45,000	40,000
Accruals	<u>2,200</u>	<u>2,200</u>
	<u>47,200</u>	<u>42,200</u>

The loan is from ISIS Treasury Limited, is repayable on demand and is subject to interest at 3 month LIBOR plus 1% margin.

### 8. SHARE CAPITAL

	31 December 2003 £	31 December 2002 £
Authorised		
50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

# LONDON AND MANCHESTER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 9. RECONCILIATION OF SHAREHOLDER'S FUNDS AND MOVEMENT ON RESERVES

	Share Capital	Profit and Loss Account	Total Shareholder's Funds
	£	£	£
Balance at 31 December 2001	1,000	68,851	69,851
Retained loss for the year	<u>-</u>	<u>(1,127)</u>	<u>(1,127)</u>
Balance at 31 December 2002	1,000	67,724	68,724
Retained loss for the year	<u>-</u>	<u>(1,631)</u>	<u>(1,631)</u>
Balance at 31 December 2003	<u>1,000</u>	<u>66,093</u>	<u>67,093</u>

### 10. RELATED PARTY TRANSACTIONS

The company has taken exemption from the requirement to disclose related party transactions with members of the ISIS Asset Management plc group on the basis that it is a wholly owned subsidiary.

### 11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is ISIS Asset Management plc. ISIS Asset Management plc has included London and Manchester Property Asset Management Limited in its group accounts. Copies of the group report and accounts are available from its registered office: 80 George Street, Edinburgh, EH2 3BU.

The company's ultimate parent undertaking and controlling party is Friends Provident plc, which is incorporated in England and Wales. Copies of the Group Report and Accounts can be obtained from Pixham End, Dorking, Surrey, RH4 1QA.