

**CORE NOMINEES LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 1998**

**Registered Company Number 2424514**



## **CORE NOMINEES LIMITED**

### **DIRECTORS' REPORT**

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

### **PRINCIPAL ACTIVITIES**

The company holds investments as nominee for Credit Lyonnais Securities.

### **BUSINESS REVIEW**

The company has not traded during the year and has received no income and incurred no expenditure, consequently the company has made neither a profit nor a loss nor any other recognised gains or losses (1997: £nil).

### **DIVIDENDS**

The directors do not recommend the payment of a dividend (1997: £nil).

### **DIRECTORS**

The directors who served during the year were as follows:

BF Armstrong	
MNC Kerr-Dineen	resigned 2 <sup>nd</sup> November 1998
SP McLaughlin	
FC Melul	
GC Mordaunt	
PA Walter	appointed 2 <sup>nd</sup> November 1998

### **DIRECTORS' INTERESTS**

None of the directors had an interest in the shares of the Company or any other shares required to be disclosed under Schedule 7(2) of the Companies Act 1985.

### **SHARE CAPITAL**

There were no changes during the year in the company's authorised or issued share capital.

## **CORE NOMINEES LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 as at the end of the financial year and of profit or loss for the financial year.

The directors consider that in preparing the financial statements on pages 4 to 5, 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.

The directors have the responsibility to prepare the financial statements on a going concern basis, where this is considered appropriate.

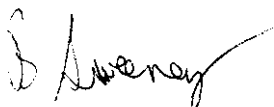
The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors 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.

### **AUDITORS**

During the year the auditors, Price Waterhouse, merged with Coopers and Lybrand forming a new firm, PricewaterhouseCoopers. As a consequence of this merger Price Waterhouse resigned as auditors on 11<sup>th</sup> September 1998 and PricewaterhouseCoopers were appointed in their place. PricewaterhouseCoopers have expressed their willingness to continue in office and a resolution will be proposed for their reappointment at the Annual General Meeting.

By order of the Board



B. Sweeney  
Secretary

25th February 1999

**AUDITORS' REPORT TO THE SHAREHOLDERS OF CORE NOMINEES LIMITED FOR THE YEAR ENDED 31 DECEMBER 1998**

We have audited the financial statements on pages 4 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the financial statements as described on page 2. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

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. 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 is not disclosed.

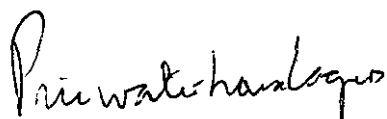
**Basis of audit opinion**

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 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 the company's affairs at 31 December 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



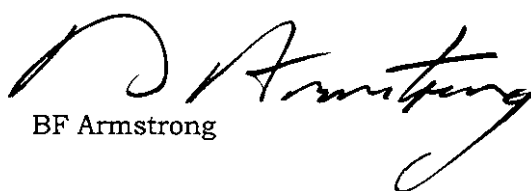
PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
32 London Bridge Street  
London SE1 9SY  
26 February 1999

## CORE NOMINEES LIMITED

### BALANCE SHEET AT 31 DECEMBER 1998

	<u>Note</u>	<u>1998</u> £	<u>1997</u> £
<b>CURRENT ASSETS</b>			
Amount due from Credit Lyonnais Securities		<u>2</u>	<u>2</u>
		<u>2</u>	<u>2</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	<u>2</u>	<u>2</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>2</u>	<u>2</u>

Approved by the Board of Directors on 25<sup>th</sup> February 1999.

  
BF Armstrong

  
SP McLaughlin

The notes on page 5 form an integral part of the financial statements.

## **CORE NOMINEES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1998**

#### **1 ACCOUNTING POLICIES**

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

#### **2 CASHFLOW STATEMENT**

The company has not traded since incorporation and accordingly a cashflow statement has not been prepared as required under Financial Reporting Standard 1.

#### **3 RESULTS**

The company has not traded since incorporation and accordingly no profit and loss account has been prepared and no disclosures under Financial Reporting Standard 3 are required.

The parent company, Credit Lyonnais Securities, bears the administration costs of the company and in consideration thereof the company makes no charge to Credit Lyonnais Securities for holding securities and loan stock or receiving dividends as nominee. There is, therefore, no income or expenditure for the year.

#### **4 DIRECTORS AND EMPLOYEES**

The company has no employees. The directors, none of whom spends a material amount of time on the company's business, are remunerated by other companies within the Credit Lyonnais Capital Markets PLC Group. The remuneration is accordingly disclosed in the financial statements of those companies.

#### **5 CALLED UP SHARE CAPITAL**

	<u>31 December</u> <u>1998</u> £	<u>31 December</u> <u>1997</u> £
Authorised:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and fully paid:		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

#### **6 CONTINGENT LIABILITIES**

There is a contingent liability in respect of stocks and shares registered in the name of the company.

#### **7 ULTIMATE CONTROLLING PARTY**

The Company's ultimate holding company is Credit Lyonnais, a Société Anonyme registered in France and majority owned by the French State. Group financial statements can be obtained from 19 Boulevard des Italiens, 75002 Paris, France. The Company's direct parent is Credit Lyonnais Securities.