

Company Registration Number: 2568507

**CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 2003**



**CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

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**CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS:**

S V Castle  
M P Flaherty  
P A Horton  
R P Nash

**SECRETARY:**

P J Atkinson

**REGISTERED OFFICE:**

Churchill Court  
Westmoreland Road  
Bromley  
Kent  
BR1 1DP

**COUNTRY OF REGISTRATION:**

England and Wales

**AUDITORS:**

Deloitte & Touche LLP  
Chartered Accountants  
London

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **DIRECTORS' REPORT**

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

### **ACTIVITIES AND BUSINESS REVIEW**

The Company's principal activity is repairing cars for Churchill Insurance Company Limited.

The Company is a wholly owned subsidiary of Churchill Insurance Group Plc. On 1 September 2003 The Royal Bank of Scotland Group plc acquired the share capital of Churchill Insurance Group plc.

The retained profit of the year after taxation was £15,177 (2002: £137,900 loss) and this was transferred to reserves.

The directors do not propose a dividend (2002: £nil).

The Company continued to achieve all key elements of its business plan. During the year, two new repair centres were opened.

The directors do not anticipate any material change in the type or level of activities of the Company.

### **DIRECTORS AND SECRETARY**

The names of the present directors and secretary are listed on page 1.

From 1 January 2003 to date the following changes have taken place:

	<b>Appointed</b>	<b>Resigned</b>
<b>Directors</b>		
J S Battley		26 March 2003
J W Timmis		26 March 2003
S N Hardy		31 October 2003
M P Long		31 October 2003
S V Castle	31 October 2003	
M P Flaherty	31 October 2003	
<b>Secretary</b>		
P B Cassidy		31 December 2003
P J Atkinson	31 December 2003	

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **DIRECTORS' RESPONSIBILITIES**

United Kingdom company law requires the 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- 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 the system of internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that these financial statements comply with the aforementioned requirements.

#### **DIRECTORS' INTERESTS**

No director had an interest in the shares of the Company.

The following director was beneficially interested in the ordinary shares of 25p each and the additional value shares (AVS) of 1p each in The Royal Bank of Scotland Group plc:

	<b>Ordinary Shares of 25p each</b>		<b>AV Shares of 1p each</b>	
	<b>31 December 2003</b>	<b>1 January 2003 (or date of appointment if later)</b>	<b>31 December 2003</b>	<b>1 January 2003 (or date of appointment if later)</b>
M P Flaherty	50,013	50,013	-	23,491

On 31 December 2003, the additional value shares were de-listed from The London Stock Exchange, converted to non-voting shares and transferred to RBS NVDS Nominees Limited. None of the directors had an interest in the non-voting deferred shares.

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **DIRECTORS' INTERESTS (continued)**

Options to subscribe for ordinary shares of 25p each in The Royal Bank of Scotland Group plc granted to, and exercised during the year to 31 December 2003 by the following directors of the Company and members of their immediate family are:

	31 December 2003	Options granted		Options exercised		1 January 2003 (or date of appointment if later)
		Number	Price (p)	Number	Price (p)	
M P Flaherty	60,750	-		-		60,750
P A Horton	150	150	1590	-		-
R P Nash	150	150	1590	-		-

The following director was beneficially interested in the Floating Rate Guaranteed Unsecured Loan Notes 2008 of Churchill Insurance Group plc, created on 1 September 2003.

	31 December 2003	Issued		Redeemed		1 January 2003
		Number	Price (p)	Number	Price (p)	
P A Horton	9,799,405	9,799,405	100	-		-

The interests of Mr S V Castle in the share capital of The Royal Bank of Scotland Group plc are disclosed in the financial statements of Churchill Insurance Group plc.

Except as noted above no director had any interest in any class of shares or the debentures of The Royal Bank of Scotland Group plc and any of its subsidiaries during the year to 31 December 2003.

#### **STAFF**

The Company employs staff on its own behalf which are registered in the United Kingdom. The average total number of persons employed during the year was 488 (2002: 376).

#### **EMPLOYMENT OF DISABLED PERSONS**

During the year, the Company gave full and fair consideration to applications for employment by disabled persons, having regard to their particular aptitudes and abilities and to appropriate vacancies.

The Company will continue to ensure that disabled employees are considered on the same basis as any other member of staff with regard to training, career development and promotion.

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **EMPLOYEE INVOLVEMENT**

Within the bounds of commercial confidentiality, information is disseminated to all levels of staff about matters that affect the progress of the Company and are of interest and concern to them as employees. All permanent members of staff are eligible to The Royal Bank of Scotland Group plc profit share scheme.

#### **POLICY AND PRACTICE ON PAYMENT OF CREDITORS**

The Company follows the policy and practice on payment of creditors determined by The Royal Bank of Scotland Group plc, as outlined below.

In the year ending 31 December 2004, The Royal Bank of Scotland Group will adhere to the following payment policy in respect of all suppliers. It is committed to maintaining a sound commercial relationship with its suppliers. Consequently, it is their policy to negotiate and agree terms and conditions with its suppliers, which include the giving of an undertaking to pay suppliers within 30 days of receipt of a correctly prepared invoice submitted in accordance with the terms of the contract or such other payment period as may be agreed.

#### **ELECTIVE RESOLUTIONS**

Elective resolutions electing to dispense with the requirement to hold annual general meetings and lay accounts before a general meeting were passed on 7 March 2003.

#### **AUDITORS**

Following the acquisition of the Company by the Royal Bank of Scotland Group plc on 1 September 2003, KPMG resigned as auditors and Deloitte & Touche LLP were appointed auditors with immediate effect.

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors.

Approved by the board of directors  
and signed on behalf of the board.



S V Castle  
Director  
12 October 2004

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHURCHILL ACCIDENT REPAIR CENTRE**

We have audited the financial statements of Churchill Accident Repair Centre Limited for the year ended 31 December 2003 which comprise the profit and loss account, the balance sheet and the related notes 1 to 19. These financial statements have been prepared under 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 auditor's 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 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 United Kingdom legal and regulatory requirements and 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 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 with the Company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

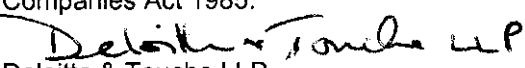
#### **Basis of audit opinion**

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 the Company's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
London

Date: 21 October 2004

**CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2003

	Notes	2003 £	2002 £
<b>Turnover</b>	2	<b>34,893,844</b>	29,449,158
Cost of sales	3 - 4	<b>(29,056,360)</b>	(22,326,675)
<b>Gross profit</b>		<b>5,837,484</b>	7,122,483
Administrative expenses		<b>(5,825,137)</b>	(7,118,592)
<b>Operating profit</b>	5	<b>12,347</b>	3,891
<b>Profit before interest and taxation</b>		<b>12,347</b>	3,891
Interest receivable	6	<b>1,641</b>	1,788
Interest payable	7	<b>0</b>	(3,456)
<b>Profit on ordinary activities before taxation</b>		<b>13,988</b>	2,223
Taxation	8	<b>1,189</b>	(140,123)
<b>Profit/(Loss) on ordinary activities after taxation</b>		<b>15,177</b>	(137,900)
<b>Statement of reserves</b>			
Retained loss brought forward		<b>(478,207)</b>	(340,307)
Profit/(Loss) for the year		<b>15,177</b>	(137,900)
Retained loss carried forward		<b>(463,030)</b>	(478,207)

The Company has no recognised gains or losses other than those included in the profit and loss account for the year and prior year and therefore no Statement of Total Recognised Gains and Losses has been presented.

All profits are generated from the continuing activities of the Company.

The notes on pages 9 to 16 form part of these financial statements.

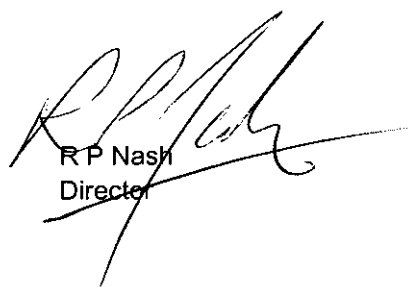
**CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

**BALANCE SHEET**  
as at 31 December 2003

	Notes	2003 £	2002 £
<b>Called up share capital not paid</b>		<b>2</b>	<b>2</b>
<b>Fixed assets</b>			
Tangible fixed assets	9	4,002,346	2,509,840
<b>Current assets</b>			
Stock and work in progress	10	487,284	231,583
Debtors	11	8,383,523	665,777
Cash at bank and in hand		624,537	372,522
		<u>9,495,344</u>	<u>1,269,882</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>13,703,021</u>	<u>4,115,136</u>
<b>Provisions for other risks and charges</b>			
Deferred taxation	13	257,699	142,793
<b>Net current liabilities</b>		<u>(4,465,376)</u>	<u>(2,988,047)</u>
<b>Total assets less current liabilities</b>		<u>(463,028)</u>	<u>(478,205)</u>
<b>Net liabilities</b>		<u>(463,028)</u>	<u>(478,205)</u>
<b>Capital and reserves</b>			
Called up share capital not paid	14	2	2
Profit and loss account		(463,030)	(478,207)
Equity shareholders' funds	15	<u>(463,028)</u>	<u>(478,205)</u>

The notes on pages 9 to 16 form an integral part of these financial statements.

The financial statements were approved by the board of directors on 12 October 2004 and signed on its behalf.

  
R P Nash  
Director

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003**

#### **1. STATEMENT OF ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material to the Company's financial statements, except where otherwise stated.

##### **Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable law and accounting standards in the United Kingdom.

The Company has taken advantage of an exemption under Financial Reporting Standard No. 1 for wholly-owned subsidiary companies not to produce a cash flow statement on the grounds that it is a wholly owned subsidiary of a parent undertaking that prepares publicly available consolidated financial statements including a cash flow statement dealing with cash flow of the group.

The Company has the financial support of its parent company and these accounts, therefore, have been prepared on a going concern basis.

##### **Tangible fixed assets**

Tangible fixed assets are stated at value in use. Depreciation is provided on fixed assets at rates calculated to write off, on a straight-line basis, the cost less estimated residual value over their expected useful lives. The principal categories of assets and their expected useful lives are as follows:

Land and buildings	40 years
Computer equipment	4 years
Bodyshop equipment	4 - 10 years
Motor vehicles	1.5 - 3 years
Fixtures and fittings	4 years

##### **Interest receivable and payable**

Interest receivable is credited by reference to the amount earned during the year. Interest payable is debited by reference to the amount payable during the year.

##### **Pension**

The Company operates several pension schemes, all of which are funded by the payment of contributions to separately administered funds. Contributions to defined contribution schemes are charged to the profit and loss account as incurred.

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003 (continued)**

#### **1. STATEMENT OF ACCOUNTING POLICIES (continued)**

##### **Operating leases**

Operating lease payments are taken to the profit and loss account over the life of the lease.

##### **Stock and work in progress**

Stock and work in progress is valued at the lower of cost and net realisable value.

##### **Land and buildings**

Properties which are owned and occupied by group companies are classified as tangible fixed assets and are depreciated over the period set out above. Previously, these properties were not depreciated, on the grounds of immateriality. The directors believe that the revised treatment more accurately reflects the allocation of costs over the useful life of the asset.

##### **Taxation**

A provision is made at the current rate of taxation.

##### **Deferred Taxation**

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise, based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of land and buildings when there is no commitment to sell. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax balances are not discounted.

#### **2. TURNOVER**

Turnover comprises income from motor car body repairs. All turnover relates to activity in the United Kingdom.

#### **3. EMOLUMENTS OF DIRECTORS**

All the directors who served throughout the year were remunerated by Churchill Management Limited and Direct Line Group Services (fellow group companies) for their services to the Royal Bank of Scotland group as a whole.

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003 (continued)**

#### **4. EMPLOYMENT**

The aggregate payroll costs were as follows:

	2003 £	2002 £
Wages and salaries	11,106,747	8,627,041
Social security costs	1,066,435	818,376
Other pension costs	355,723	284,522
Other employment costs	29,842	11,971
	<u>12,558,747</u>	<u>9,741,910</u>

The average total number of persons employed during the year was 488 (2002: 376).

#### **5. OPERATING PROFIT BEFORE TAX**

Operating profit before tax includes:

	2003 £	2002 £
Depreciation (see note 9)	530,697	370,212
Auditor's remuneration and expenses (gross of VAT):		
In respect of audit fees	31,410	31,409
Other services	-	-
Operating lease rentals - land and buildings	946,377	680,979
Operating lease rentals – other	811,669	680,740

Administrative expenses include the following credits:

Profit on disposal of fixed assets	60,478	30,395
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#### **6. INTEREST RECEIVABLE**

	2003 £	2002 £
Bank interest	1,378	-
Other interest	263	1,788
	<u>1,641</u>	<u>1,788</u>

#### **7. INTEREST PAYABLE**

	2003 £	2002 £
Bank interest	-	3,390
Other interest	-	66
	<u>-</u>	<u>3,456</u>

# **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003 (continued)**

### **8. TAXATION**

	2003 £	2002 £
<u>Current tax</u>		
UK corporation tax at 30% (2002: 30%)	(129,154)	(56,748)
Adjustment in respect of prior periods - group relief	13,059	54,078
	<u>(116,095)</u>	<u>(2,670)</u>
<u>Deferred tax</u>		
Current year	133,409	142,793
Adjustment in respect of prior periods	(18,503)	
Tax (credit) / charge	<u>(1,189)</u>	<u>140,123</u>

Group relief losses have been surrendered at the rate of corporation tax applicable to that year.

### **Factors affecting the tax charge for the current year**

The current tax credit for the year is different to the standard rate of corporation tax in the UK (30%). The differences are explained below:

<b>Current tax reconciliation</b>	2003 £	2002 £
Profit on ordinary activities before tax	<u>13,988</u>	<u>2,223</u>
Current tax at 30%	4,196	667
Effects of:		
Expenses not deductible for tax purposes	60	565
Capital allowances for the year greater than depreciation	(133,410)	(57,980)
Adjustment in respect of prior periods	13,059	54,078
Total current tax (credit) / charge	<u>(116,095)</u>	<u>(2,670)</u>

# CHURCHILL ACCIDENT REPAIR CENTRE LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003 (continued)

### 9. TANGIBLE FIXED ASSETS

	Long-term leasehold land and buildings £	Computer equipment £	Bodyshop equipment £	Motor vehicles £	Fixtures & fittings £	Total £
<b>Cost or market value</b>						
As at 1 January 2003	875,000	130,338	1,603,501	245,336	907,620	3,761,795
Additions	0	45,034	1,441,972	214,417	321,780	2,023,203
Disposals	0	0	(97,118)	(84,899)	0	(182,017)
As at 31 December 2003	875,000	175,372	2,948,355	374,854	1,229,400	5,602,981
<b>Depreciation</b>						
As at 1 January 2003	21,875	116,745	588,387	155,526	369,422	1,251,955
Charge for the year	21,875	9,522	289,164	137,690	72,446	530,697
Disposals	0	0	(97,118)	(84,899)	0	(182,017)
As at 31 December 2003	43,750	126,267	780,433	208,317	441,868	1,600,635
<b>Net book value</b>						
As at 31 December 2003	831,250	49,105	2,167,922	166,537	787,532	4,002,346
As at 31 December 2002	853,125	13,593	1,015,114	89,810	538,198	2,509,840

### 10. STOCK AND WORK IN PROGRESS

Stock comprises of consumable equipment for repair jobs. Work in progress comprises repair jobs in the course of completion, which have not been invoiced by the balance sheet date.

### 11. DEBTORS

	2003 £	2002 £
Trade debtors	130,199	123,023
Amounts due from group undertakings	7,633,397	
Corporation tax recoverable	129,154	186,577
Other debtors	0	13,827
Prepayments and accrued income	490,773	342,350
	<b>8,383,523</b>	<b>665,777</b>

All debts are due within one year.

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003 (continued)**

#### **12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2003 £	2002 £
Trade creditors	507,191	455,512
Amounts due to other group undertakings	11,444,189	2,041,478
Other creditors		4,760
Accruals and deferred income	1,751,641	1,613,386
	<u>13,703,021</u>	<u>4,115,136</u>

#### **13. DEFERRED TAX**

	2003 £	2002 £
At 1 January	142,793	-
Charge to the profit and loss account	114,906	142,793
At 31 December	<u>257,699</u>	<u>142,793</u>

The deferred tax liability has arisen as a result of capital allowances in excess of depreciation.

#### **14. SHARE CAPITAL**

	2003 £	2002 £
Authorised: 1,000 (2002: 1,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and nil paid: 2 (2002: 2) ordinary shares of £1 each	<u>2</u>	<u>2</u>

#### **15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2003 £	2002 £
Shareholders' funds as at 1 January	(478,205)	(340,305)
(Loss)/Profit for the year	15,177	(137,900)
Shareholders' funds as at 31 December	<u>(463,028)</u>	<u>(478,205)</u>

#### **16. CONSIGNMENT STOCK**

The company entered a five year trading agreement with R-M Automotive Refinish Limited (R-M) on 12 July 1999. R-M, through its nominated supply company, will supply the company with equipment and paint products, which will remain the property of R-M until used by the company. The amount of consignment stock on hand at 31 December 2003 was £235,561 (2002: £159,864).

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003 (continued)**

#### **17. ANNUAL OPERATING LEASE COMMITMENTS**

	<b>2003</b>		<b>2002</b>	
	<b>Land and buildings</b>	<b>Other</b>	<b>Land and buildings</b>	<b>Other</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Leases expiring:				
Within one year	-	<b>591,995</b>	-	142,092
Between two and five years	-	<b>240,282</b>	-	512,563
After more than five years	<b>1,322,585</b>	-	856,683	-
	<b><u>1,322,585</u></b>	<b><u>832,277</u></b>	<b><u>856,683</u></b>	<b><u>654,655</u></b>

#### **18. RELATED PARTY TRANSACTIONS**

There were a number of transactions with companies within The Royal Bank of Scotland Group prior to the acquisition of the Company by the Royal Bank of Scotland Group plc on 1 September 2003. All of these transactions were performed on an arms length basis.

There were a number of transactions with companies within the Credit Suisse Group following the acquisition of the Company by the Royal Bank of Scotland Group plc on 1 September 2003. All of these transactions were performed on an arm's length basis.

The Company is exempt from the requirement of Financial Reporting Standard 8 'Related Party Disclosures' to disclose transactions and balances with our subsidiaries or investees of The Royal Bank of Scotland Group plc as the Company's results are included in the consolidated financial statements of The Royal Bank of Scotland Group plc.

There were no other related party transactions during the year or any amounts due to or from related parties outstanding at the balance sheet date.

## **CHURCHILL ACCIDENT REPAIR CENTRE LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003 (continued)**

#### **19. IMMEDIATE AND ULTIMATE PARENT COMPANY**

The Company's immediate parent company is Churchill Management Limited.

At 1 January 2003, the parent undertaking of the Company which headed the smallest higher group of undertakings for which group financial statements were drawn up were Churchill Insurance Group plc, a company registered in England and Wales. Copies of this company's group financial statements can be obtained from Churchill Insurance Group plc, Churchill Court, Westmoreland Road, Bromley, Kent, BR1 1DP. The company headed the largest higher group of undertakings for which group financial statements were drawn up and which was the Company's ultimate parent was Credit Suisse Group, which is incorporated in Switzerland. Copies of the annual report and financial statements of the ultimate holding company are available from Credit Suisse Group, Paradeplatz 8, Postfach 1, 8070 Zurich, Switzerland.

At 31 December 2003, the Company's ultimate holding company, ultimate controlling party, and the parent of the largest and smallest group into which the Company is consolidated is The Royal Bank of Scotland Group plc which is incorporated in Great Britain and registered in Scotland. Financial statements for The Royal Bank of Scotland Group plc can be obtained from The Royal Bank of Scotland Group plc, 42 St Andrew Square, Edinburgh, EH2 2YE.