

Standard Chartered Trustees (UK) Limited

Directors' Report and Financial Statements

31 December 2006

Registered Number: 3350300

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Contents

	Page(s)
Directors' Report	3 – 4
Statement of Directors' Responsibilities in respect of the Directors Report and the Financial Statements	5
Independent Auditor's Report to the members of Standard Chartered Trustees (UK) Limited	6
Income Statement	7
Balance Sheet	8
Notes to the Financial Statements	9 - 10

Directors' Report

The directors present their report and audited financial statements of Standard Chartered Trustees (UK) Limited (the "Company") for the year ended 31 December 2006.

Principal activities

The principal activity of the Company throughout the year was that of corporate trustee of the Standard Chartered Pension Fund and the Standard Chartered Retirement Investment Scheme.

Business review

The directors set out below a review of the development and performance of the business during the year and its position at the year end. This review is consistent with the size and nature of the business and is written in the context of the risks and uncertainties faced.

The Company is a corporate trustee of the Standard Chartered Pension Fund and the Standard Chartered Retirement Investment Scheme. During the financial year and the preceding financial year the Company did not trade and received no income and incurred no expenditure. Consequently the Company made neither a profit nor a loss.

Assets comprise an amount owed by a group undertaking of \$4 which is unchanged from the preceding financial year.

The Company forms part of the Standard Chartered Group and this is not expected to change in the foreseeable future.

The key performance indicator used by management in assessing the performance of the Company would be the monitoring of the net return on specific underlying transactions which the company enters into. However, it should be noted that the Company has not entered into any transactions, either during the period or during the preceding period. Monthly management accounts are prepared and reviewed by the management of the SCB business in which this company resides.

Financial instruments

Financial instruments comprised inter group balances.

Proposed dividend

The directors do not recommend the payment of a dividend (2005: nil).

Directors

The directors who held office during the year were as follows:

David Fletcher
Andrew Hunter
Paul Jebson
Linda Lawrence
John Maxwell
Peter Wood

Subsequent to the year end, Peter Wood resigned as a director on 15 March 2007 and the Law Debenture Pension Trust Corporation p.l.c. was appointed director on 10 April 2007.

Qualifying third party indemnities

There are no qualifying third party indemnities in force at the time of this report.

Employees

The Company has no employees (2005: nil).

Risk management

The risk management objectives of the Company are set out in note 7.

Political and charitable contributions

The Company made no political contributions during the year (2005: nil).

Directors' Report (continued)

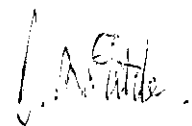
Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that ought to have been taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to a shareholders' resolution, the Company is not obliged to reappoint its auditors annually and KPMG Audit Plc will therefore continue in office.

By order of the board



D Fletcher
Director

Date: 21 June 2007

5th Floor, 100 Wood Street
London
EC2V 7EX

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU.

The financial statements are required by law to present fairly the financial position and the performance of the Company; the Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; 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 that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They 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.

Independent Auditor's Report to the members of Standard Chartered Trustees (UK) Limited

We have audited the financial statements of Standard Chartered Trustees (UK) Limited for the year ended 31 December 2006 which comprise Income Statement, the Balance Sheet and the related notes. 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Directors' Responsibilities on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 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 other transactions is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with IFRSs as adopted by the EU, of the state of the Company's affairs as at 31 December 2006 and of the Company's result for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



KPMG Audit Plc,
London
Chartered Accountants
Registered Auditor
Date: 21 June 2007

Income Statement

for the year ended 31 December 2006

During the financial year and the preceding financial year the Company did not trade and received no income and incurred no expenditure. Consequently during those years, the Company made neither a profit nor a loss.

Balance Sheet

as at 31 December 2006

	Note	2006 \$	2005 \$
Current assets			
Other receivables: amounts owed by group undertakings		4	4
Total assets		4	4
Net assets		4	4
Equity			
Share capital	5	4	4
Total equity		4	4

These accounts were approved by the Board of Directors on 21 June 2007, and were signed on its behalf by:


A Hunter
Director

Notes to the Financial Statements

for the year ended 31 December 2006

1. Principal accounting policies

The Company's financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRSs").

Basis of preparation

The Company has prepared its financial statements in accordance with International Financial Reporting Standards ('IFRSs') as endorsed by the European Union ('EU'). EU-endorsed IFRSs may differ temporarily from IFRSs as published by the International Accounting Standards Board ('IASB') if new or amended IFRSs have not been endorsed by the EU. At 31 December 2006, there were no unendorsed standards effective for 31 December 2006 affecting these financial statements, and there was no difference in application to the Company between IFRSs endorsed by the EU and IFRSs issued by the IASB.

IFRSs comprise accounting standards issued by the IASB and its predecessor body as well as interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC') and its predecessor body.

IFRS 7 'Financial Instruments Disclosure' applicable for years commencing on or after 1 January 2007 has not been applied. Its application would not have affected the balance sheet or income statement as the standard is only concerned with disclosure.

During 2006 the IASB issued IFRS 8 "Operating segments" which is Effective for periods commencing on or after 1 January 2009. This standard will have no impact upon the Company.

During 2006, IFRIC issued:

- (a) IFRIC Interpretation 8 'Scope of IFRS 2' (effective for periods commencing on or after 1 May 2006);
- (b) IFRIC Interpretation 9 'Reassessment of embedded derivatives' (effective for periods commencing on or after 1 June 2006);
- (c) IFRIC Interpretation 10 'Interim Financial Reporting and Impairment' (effective for periods commencing on or after 1 November 2006);
- (d) IFRIC Interpretation 11 'Group and Treasury Share Transactions' (effective for periods commencing on or after 1 March 2007); and
- (e) IFRIC Interpretation 12 'Service Concession Arrangements' (effective for periods commencing on or after 1 August 2008).

These interpretations are not expected to have any impact upon the Company when adopted.

On 1 January 2006, 'Amendments to IAS 39 and IFRS 4 – Financial Guarantee Contracts' and the 'Amendment to IAS 39 - Cash Flow Hedge Accounting of Forecast Intragroup Transactions' became effective for the Company. However, these amendments had no effect on the Company.

At 31 December 2006, the Company had adopted all IFRSs and Interpretations that had been issued by the IASB and IFRIC, and endorsed by the EU. Except as stated above, there are currently no IFRSs or interpretations that have been issued by the IASB and endorsed by the EU which become effective after 31 December 2006 that have not already been adopted by the Company.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared under the historical cost convention.

Functional Currency

The Company's functional and presentation currency is the United States dollar (USD).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Non monetary transactions are translated at historical exchange rates.

Share capital

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2. Statement of recognised income and expense and Cash flow statement

During the financial year the Company did not trade and received no income and incurred no expenditure. Consequently, the Company made neither a profit nor a loss and did not receive any cash flows. As such, the Company has not presented a cash flow statement, nor a statement of recognised income and expense.

3. Auditor's remuneration

The auditor's remuneration of \$7,000 (2005: \$7,000) was borne by Standard Chartered Bank.

4. Directors' emoluments

None of the directors received any fees or emoluments from the Company during the year (2005: nil).

5. Capital and reserves

Share capital

	2006 \$	2005 \$
Authorised		
100 Ordinary shares of £1 each	179	179
<hr/>		
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	4	4

The nominal value of the authorised and issued shares is denominated in GBP. As a result of the transition to adopted IFRS the share capital has been presented in USD, at the historical rate at the date of issue.

6. Related party transactions

Directors and officers

None of the directors or officers received any fees or emoluments from the Company during the financial year.

Company

The Company is a wholly owned subsidiary undertaking of Standard Chartered Bank a company incorporated in England with limited liability by Royal Charter.

The Company's balances with related parties, included in the balance sheet, are listed in the table below:

	2006 \$ Due from holding company	2005 \$ Due from holding company
Assets		
Standard Chartered Bank	4	4

The account above is non interest bearing. There are no other restrictions or conditions placed on this related party balance.

7. Risk management

The Company is not significantly exposed to changes in fair value of its financial instruments from credit, interest and market risk and has not entered into derivative transactions.

8. Ultimate Holding Company and Parent Undertaking of Larger Group

The ultimate holding company is Standard Chartered PLC a company registered in England and Wales. The largest group in which the results of the Company are consolidated is that headed by Standard Chartered PLC. The consolidated financial statements of this Company are available to the public and may be obtained from its registered office located at 1 Aldermanbury Square, London, EC2V 7SB.