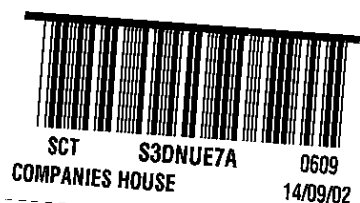


# **SCOTTISH AMICABLE LIFE ASSURANCE SOCIETY**

## **REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001**

**12 AUGUST 2002**

Incorporated and registered in Scotland, Registered No SZ000012.  
Registered Office: P O Box 25, Craigforth, Stirling, FK9 4UE



**SCOTTISH AMICABLE LIFE ASSURANCE SOCIETY**  
**REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001**

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# SCOTTISH AMICABLE LIFE ASSURANCE SOCIETY

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

### Principal activity and business review

The principal activity of the Scottish Amicable Life Assurance Society (the Society) was ordinary long-term insurance business, augmented by a wide range of retail financial products, which ceased on 30 September 1997 when the business of the Society was transferred to The Prudential Assurance Company Limited, a wholly owned subsidiary of Prudential plc. The Society did not trade during 2001.

### Directors

The present directors of the Society are shown on page 2.

A J Robertson was appointed as a director on 16 March 2001.

V Ruparel resigned as Secretary on 5 February 2001. T Lee was appointed as Secretary on 5 February 2001 and resigned on 28 September 2001. The current Secretary, J A Cross, was appointed on 28 September 2001.

Other than as detailed above there were no changes during the year.

### Directors' interests

The directors in office at the year end had interests in shares of 5p each in Prudential plc as follows:

- (a) in shares, including shares awarded under The Prudential Share Participation Plan, Prudential Managers Share Plan, Prudential Professional Reward Scheme and shares allocated under the Prudential Restricted Share Plan:

	<b>1 January 2001 or at date of appointment*</b>	<b>31 December 2001</b>
J W Jack	35,823	30,473
A J Robertson	1,810*	3,101

- (b) in shares under the Prudential Restricted Share Plan, in which the shares are held in trust and represent the maximum award that can be allocated if the performance requirements of the Plan are met:

	<b>1 January 2001 or at date of appointment*</b>	<b>31 December 2001</b>
J W Jack	33,800	29,425
A J Robertson	5,870*	5,261

SCOTTISH AMICABLE LIFE ASSURANCE SOCIETY

DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2001

Directors' interests (continued)

(c) in options to subscribe for shares under the Prudential Savings-Related Share Option Scheme:

	1 January 2001 or at date of appointment*	During the year: Granted Exercised		31 December 2001
J W Jack	4,786	-	1,566	3,220
A J Robertson	3,415*	-	-	3,415

Directors in office at the year end had interests in shares of 50p each of Egg plc as follows:

	1 January 2001 or at date of appointment*	31 December 2001
J W Jack	470	470
A J Robertson	470*	470

Except as stated above, the directors in office at the end of the year:

- (a) had no interest in shares in, or debentures of, any Group company either at the beginning of the year or at the end of the year; or
- (b) was granted or exercised no right to subscribe for shares in, or debentures of, any Group company during the year.

Auditors

The Society is exempt under Section 249AA of the Companies Act 1985 (as amended) from the provision of Part VII of the Act relating to the audit of accounts and accordingly no auditors are appointed.

On behalf of the board of directors.



J A Cross  
Secretary  
12 August 2002

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2001**

**Statement of directors' responsibilities in respect of the accounts**

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 and of the profit or loss for that period. In preparing those 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, subject to any material departures disclosed and explained in the financial statements; 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 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.



J W Jack  
Director

12 August 2002

SCOTTISH AMICABLE LIFE ASSURANCE SOCIETY

BALANCE SHEET  
FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £m	2000 £m
<b>Assets</b>	5	-	-
<b>Liabilities</b>	5	-	-

The directors:

- (a) confirm that the Society was entitled to an exemption under subsection (1) of section 249AA of the Companies Act 1985 from the requirement to have its accounts audited for financial year end 2001.
- (b) confirm that members have not required the Society to obtain an audit of its accounts for that financial year in accordance with sub-section (2) of section 249B of that Act.
- (c) acknowledge their responsibilities for:
  - i. ensuring that the Society keeps accounting records which comply with section 221 of the Companies Act 1985, and
  - ii. preparing accounts which give a true and fair view of the state of affairs of the Society as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the Society.

The accounts on pages 6 to 7 were approved by the board of directors on 12 August 2002.



J W Jack  
Director

NOTES TO THE ACCOUNTS

**1. Accounting policy**

The accounts are prepared under the historical cost convention.

As the members approved the transfer of the business of the Society on 30 September 1997 to The Prudential Assurance Company Limited, a wholly owned subsidiary of Prudential plc, the accounts have not been prepared on a going concern basis.

**2. Profit and loss account**

The Society did not trade during the year and there were no cash flows or related party transactions.

**3. Directors' remuneration**

No remuneration is paid to the directors in respect of services carried out on behalf of the Society.

**4. Balance sheet**

Following the transfer of the business of the Society on 30 September 1997 to The Prudential Assurance Company Limited, the Society has no beneficial interest in any assets and has no liabilities.

**5. Ultimate parent company**

The ultimate parent company is Prudential plc, which is the only parent company to prepare group accounts, copies of which can be obtained from the Company Secretary, Laurence Pountney Hill, London, EC4R 0HH.