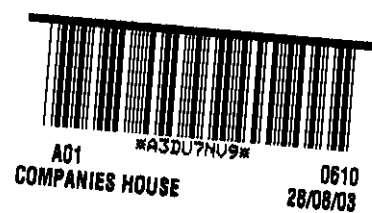


**NFU MUTUAL INSURANCE PENSION FUND**  
**TRUST COMPANY LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2002**

**Registered Number : 710041**



NFU MUTUAL INSURANCE PENSION FUND TRUST COMPANY LIMITEDANNUAL REPORTFOR THE YEAR ENDED 31 DECEMBER 2002

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NFU MUTUAL INSURANCE PENSION FUND TRUST COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2002

The directors present their report and audited financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The principal activity of the company is to act as Custodian of Property Investments directly owned by the Retirement Benefits Scheme of the National Farmers Union Mutual Insurance Society Limited.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The company does not receive any income, and therefore made neither a profit nor a loss. Therefore, no profit and loss account is attached. The directors expect the present level of activity to continue for the foreseeable future.

DIRECTORS

The directors of the company during the year were as follows:

P.C. Bruce-Moore, LLB  
 R.J. Carter, JP  
 W.E. Cooper, ACIS, ACII (retired 15 May 2002)  
 D.T.Y. Curry, CBE, FRAGS  
 I.S. Geden FCII  
 S.P. Gibson FCII (appointed 15 May 2002)

None of the directors had any beneficial interest in shares of the company. All directors of the company are trustees of the Scheme. Mr. Carter and Mr. Curry are directors of the National Farmers Union Mutual Insurance Society Limited and Mr. Creechan is Company Secretary of that company.

Mr. Bruce-Moore, Mr. Creechan, Mr. Geden and Mr. Gibson are members, and thus potential beneficiaries of the Scheme.

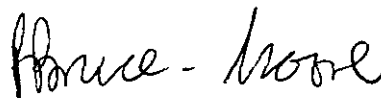
AUDITORS

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 20 June 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors.

A resolution to re-appoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the Annual General Meeting.



I.S. GEDEN, DIRECTOR



P.C. BRUCE-MOORE, DIRECTOR

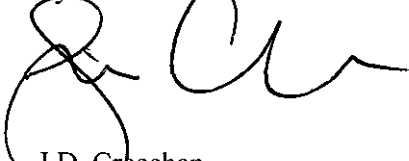
NFU MUTUAL INSURANCE PENSION FUND TRUST COMPANY LIMITEDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

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 of the company for that period. In preparing those financial statements, the directors confirm that

- ♦ suitable accounting policies have been applied consistently;
- ♦ reasonable and prudent judgements have been made;
- ♦ applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ♦ the financial statements have been prepared on the going concern basis.

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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



J.D. Creechan  
Secretary

16 July 2003

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

NFU MUTUAL INSURANCE PENSION FUND TRUST COMPANY LIMITED

We have audited the financial statements which comprise the balance sheet and the related notes which have been prepared under the accounting policies set out in note 1.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

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 2002 and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

*PricewaterhouseCoopers LLP*

Chartered Accountants and Registered Auditors  
Bristol

16 JULY 2003

NFU MUTUAL INSURANCE PENSION FUND TRUST COMPANY LIMITEDBALANCE SHEETAS AT 31 DECEMBER 2002

|                            | <u>Notes</u> | <u>2002</u> | <u>2001</u> |
|----------------------------|--------------|-------------|-------------|
|                            |              | £           | £           |
| <u>CURRENT ASSETS</u>      |              |             |             |
| Cash at bank and in hand   |              | 5           | 5           |
|                            |              | <hr/>       | <hr/>       |
| NET ASSETS                 |              | <u>5</u>    | <u>5</u>    |
| <br><u>CAPITAL</u>         |              |             |             |
| Called-up share capital    | 2            | 5           | 5           |
|                            |              | <hr/>       | <hr/>       |
| EQUITY SHAREHOLDERS' FUNDS |              | <u>5</u>    | <u>5</u>    |

These accounts on pages 5 and 6 were approved by the board of directors on 16 July 2003  
and were signed on its behalf by:



I.S. GEDEN, DIRECTOR



P.C. BRUCE-MOORE, DIRECTOR

NFU MUTUAL INSURANCE PENSION FUND TRUST COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES

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

2. SHARE CAPITAL

|                                  | <u>2002</u><br>£ | <u>2001</u><br>£ |
|----------------------------------|------------------|------------------|
| <u>Authorised:</u>               |                  |                  |
| 100 ordinary shares of £1 each   | <u>100</u>       | <u>100</u>       |
| <u>Allocated and fully paid:</u> |                  |                  |
| 5 ordinary shares of £1 each     | <u>5</u>         | <u>5</u>         |