

# London and Edinburgh Life Assurance Company Limited

Report & Accounts 2002



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# **London and Edinburgh Life Assurance Company Limited**

Registered in England No. 830354

Registered Office: 8 Surrey Street, Norwich, Norfolk NR1 3NG

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## **Directors and Officers**

### **Directors**

Aviva Company Secretarial Services Limited  
Aviva Director Services Limited

### **Secretary**

Aviva Company Secretarial Services Limited

### **Auditor**

Ernst & Young LLP  
Rolls House  
7 Rolls Buildings  
Fetter Lane  
London  
EC4A 1NH

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## **Directors' report**

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The directors present their annual report and audited financial statements for London and Edinburgh Life Assurance Company Limited (the Company) for the year ended 31 December 2002.

### **Principal activity**

The Company ceased to trade in 1999 and will remain a non-trading company for the foreseeable future.

### **Operational review**

Details of the results are given in the profit and loss account on page 6.

### **Ultimate holding company**

On 1 July 2002, the ultimate holding company CGNU plc, changed its name to Aviva plc.

### **Major events**

On 22 November 2002, Norwich Union Holdings Limited sold its legal and beneficial holding of 5,500,000 ordinary shares of £1 each in the issued share capital of the Company to Norwich Union Life Holdings Limited for a consideration of £5,500,000.

### **Dividends**

An interim dividend for the year of £4,117,000 was paid on 1 August 2002 (2001: £nil). The directors do not recommend the payment of a final dividend (2001: £nil).

### **Directors**

The names of the present directors of the Company appear on page 1.

G A Masters resigned as a director of the Company on 26 July 2002.

S A Hannington, M S Hodges, B F McIntyre and P J R Snowball resigned as directors of the Company on 29 July 2002.

Aviva Director Services Limited and Aviva Company Secretarial Services Limited were appointed as directors of the Company on 29 July 2002.

### **Directors' interests**

None of the directors who held office at 31 December 2002 had any beneficial interests in the Company's shares or the shares of any other company within the Aviva Group.

## Directors' report

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### Resolutions

On 15 May 1990, the members of the Company passed resolutions to dispense with the holding of Annual General Meetings, the laying of directors' reports, financial statements and auditors' reports before the members in general meeting and the obligation to appoint auditors annually.

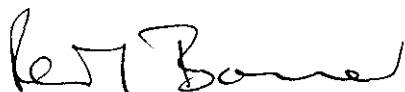
### Statement of directors' responsibilities

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 result 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;
- 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.

By order of the Board



Aviva Company Secretarial Services Limited *Secretary*

20 May 2003

## Auditors' report

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### Independent auditors' report to the members of London and Edinburgh Life Assurance Company Limited

We have audited the Company's financial statements for the year ended 31 December 2002 which comprise profit and loss account, statement of total recognised gains and losses, reconciliation of movement in shareholders' funds, balance sheet and the related notes 1 to 10. These financial statements have been prepared on the basis of 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 auditors' 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 the 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 legal and regulatory requirements and United Kingdom 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 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 with the Company is not disclosed.

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

#### Basis of audit opinion

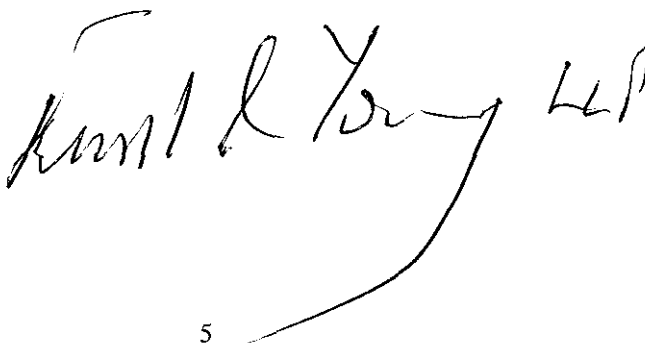
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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 affairs of the Company as at 31 December 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP  
Registered Auditor  
London

A large, stylized handwritten signature in black ink, appearing to read 'Ernst & Young LLP', is written over the bottom right portion of the page. The signature is fluid and cursive, with the letters 'EY' being particularly prominent.

20 May 2003

**Profit and loss account**

for the year ended 31 December 2002

	Note	2002 £'000	2001 £'000
<b>Profit on ordinary activities before taxation</b>	2	-	-
Dividends paid and proposed	4	(4,117)	-
<b>Retained loss for the financial year</b>	7	<b>(4,117)</b>	-

A statement of the movement in reserves can be found in note 7.

**Statement of total recognised gains and losses**

for the year ended 31 December 2002

The Company has no recognised gains or losses other than those included in the results above. Accordingly, a statement of total recognised gains and losses is not given.

**Reconciliation of movements in shareholders' funds**

for the year ended 31 December 2002

	2002 £'000	2001 £'000
<b>Profit for the financial year</b>	-	-
Dividends	(4,117)	-
Net reduction in shareholders' funds	(4,117)	-
Opening shareholders' funds	9,617	9,617
<b>Closing shareholders' funds</b>	<b>5,500</b>	9,617

**Balance sheet**

as at 31 December 2002

	Note	2002 £'000	2001 £'000
<b>Current assets</b>			
Debtors	5	5,500	9,617
<b>Net assets</b>		<u>5,500</u>	<u>9,617</u>
<b>Capital and reserves</b>			
Called up share capital	6	5,500	5,500
Profit and loss account	7	-	4,117
<b>Equity shareholders' funds</b>		<u>5,500</u>	<u>9,617</u>

The financial statements on pages 6 to 9 were approved by the Board on 20 May 2003 and were signed on its behalf by

  
 Aviva Director Services Limited *Director*



## Notes to the accounts

### 1 Accounting policies

#### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards.

### 2 Profit on ordinary activities before tax

In both 2002 and 2001, the remuneration of auditors in respect of audit services was borne by a fellow group undertaking.

### 3 Directors' emoluments

None of the directors received any emoluments in respect of services as a director of the Company.

### 4 Dividends paid and proposed

	2002 £'000	2001 £'000
Interim dividend paid of £0.75 per share (2001: £nil per share)	4,117	-

### 5 Debtors

	2002 £'000	2001 £'000
Amounts owed by group undertakings	5,500	9,617

### 6 Share capital

	2002 £'000	2001 £'000
Authorised: 10,000,000 Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid: 5,500,000 Ordinary shares of £1 each	5,500	5,500

### 7 Reserves

	Profit and loss account £'000
Balance at 1 January 2002	4,117
Retained loss for the financial year	(4,117)
Balance at 31 December 2002	-

### 8 Cash flow statement

The Company is exempt from the requirement to prepare a cash flow statement, as it is a wholly owned subsidiary undertaking of Aviva plc whose consolidated accounts are publicly available.

## Notes to the accounts

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### 9 Related party transactions

Advantage has been taken of the exemption available not to disclose intra-group related party transactions in respect of 90% subsidiaries.

There were no related party transactions with directors.

### 10 Parent undertaking

The Company's immediate parent undertaking is Norwich Union Life Holdings Limited, a company registered in England.

The Company's ultimate parent undertaking is Aviva plc, a company registered in England. Its group accounts are available on application to the Group Company Secretary, Aviva plc, St. Helen's, 1 Undershaft, London EC3P 3DQ. No other group accounts include the results of the Company.