

SAPA FINANCIAL SERVICES LIMITED

ANNUAL REPORT

YEAR ENDED 31st DECEMBER 2002

Co. No. 1100137



SAPA FINANCIAL SERVICES LIMITED

YEAR ENDED 31st DECEMBER 2002

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SAPA FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31st DECEMBER 2002

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

DIRECTORS' RESPONSIBILITIES

The directors are required by UK company law to prepare financial statements for each financial year that 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 period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31st December 2002. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS

The directors of the company at 31st December 2002 are listed below:

A.P. Daniels		
N.K. Sissons	-	Appointed 31 st January 2002
R.A. Greenslade	-	Resigned 31 st January 2002

No director has had any beneficial interests in the shares of the company during the year ended 31st December 2002.

PRINCIPAL ACTIVITY

The company is dormant.

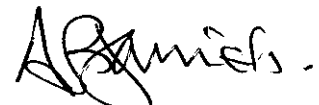
DIVIDEND

No interim dividend was paid in the year (2001:£99,000). The directors do not recommend the payment of a final dividend (2001:£Nil).

AUDITORS

In accordance with Section 379A and Section 386 of the Companies Act 1985 a resolution to dispense with the annual appointment of auditors was made on 9th April 1996.

BY ORDER OF THE BOARD



A.P. DANIELS
COMPANY SECRETARY
2nd JUNE 2003

ALEXANDRA WAY
ASHCHURCH
TEWKESBURY
GLOUCESTERSHIRE

SAPA FINANCIAL SERVICES LIMITED

ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION

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

SAPA FINANCIAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st DECEMBER 2002

	<u>Note</u>	2002 £000	2001 £000
Administration fees received		-	364
Administrative expenses incurred		-	(229)
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	135
Taxation	1	-	(91)
		-----	-----
PROFIT FOR THE FINANCIAL YEAR		-	44
Dividend on ordinary equity shares		-	(99)
		-----	-----
RETAINED LOSS/PROFIT FOR THE FINANCIAL YEAR	3	-	(55)
Retained profit brought forward		-	55
		-----	-----
Retained profit carried forward		-	-
		-----	-----

A statement of total recognised gains and losses has not been supplied as there were no recognised gains or losses other than the profit for the year.

SAPA FINANCIAL SERVICES LIMITED

BALANCE SHEET

31st DECEMBER 2002

	<u>Note</u>	2002 £000	2001 £000
CAPITAL AND RESERVES			
Called up share capital - equity	2	-	-
Profit and loss account		-	-
		-----	-----
EQUITY SHAREHOLDERS' FUNDS	3	-	-
		-----	-----

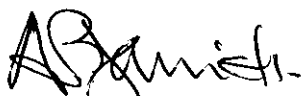
For the year ended 31st December 2002 the company was entitled to the exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249(B)(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

- (i) ensuring the company keeps accounting records which comply with section 221; and
- (ii) preparing accounts 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 its profit and loss for the financial year, in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the Board of Directors on 2nd JUNE 2003 and signed on its behalf by:



A.P. DANIELS
DIRECTOR

SAPA FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2002

	2002 £000	2001 £000
1. TAXATION		
United Kingdom corporation tax on profit for the year at 30% (2001:30%)	-	40
ACT irrecoverable/recoverable	-	53
Adjustment in respect of prior years:		
Corporation Tax	-	(2)
	<u>-</u>	<u>91</u>
	£	£
2. CALLED UP SHARE CAPITAL		
Authorised Equity		
100 ordinary shares of £1 each	100	100
	<u>-----</u>	<u>-----</u>
Allotted and fully paid Equity		
2 ordinary shares of £1 each	2	2
	<u>-----</u>	<u>-----</u>
3. MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS		
	£000	£000
Balance at 1st January	-	55
(Loss)/Profit for the year	-	(55)
	<u>-----</u>	<u>-----</u>
Balance at 31st December	-	-
	<u>-----</u>	<u>-----</u>

4. CASH FLOW STATEMENT

No cash flow statement has been prepared since the company is a wholly owned subsidiary undertaking and is exempt from doing so by the provisions of FRS1.

5. PARENT COMPANIES

The company is a subsidiary undertaking of, and is controlled by Sapa UK Limited, which is registered in England. The ultimate parent company and controlling party is Sapa AB which is incorporated in Sweden.

The smallest and largest undertaking preparing group accounts which include Sapa Financial Services Limited is Sapa AB. Copies of the Sapa AB accounts may be obtained from Sapa AB, Corporate Communications, Box 5505, SE-114 85 Stockholm, Sweden or on the Internet at <http://www.sapagroup.com>

Transactions with entities that are part of the Sapa AB group are not disclosed, as the company has taken advantage of exemptions in FRS8, being a 100% owned subsidiary.