

**CTCL PROPERTY MHI NOMINEES NO 1 LIMITED**  
**(formerly SSSB (Banking ) Nominees Limited and Schroder Salomon Smith Barney**  
**(Banking) Nominees Limited)**

**(Registered Number: 1740555)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**for the year ended 31 December 2002**



# **CTCL PROPERTY MHI NOMINEES NO 1 LIMITED**

**(formerly SSSB (Banking) Nominees Limited and Schroder Salomon Smith Barney (Banking) Nominees Limited)**

## **REPORT OF THE DIRECTORS**

The Directors present their report and the financial statements of the Company for the year ended 31 December 2002 which have been prepared in accordance with the provisions of the Companies Act 1985 (as amended).

### **Change of name**

The Company changed its name from Schroder Salomon Smith Barney (Banking) Nominees Limited to SSSB (Banking) Nominees Limited on 11 November 2002. The name was changed again to CTCL Property MHI Nominees No 1 Limited on 18 February 2003.

### **Principal activity and future developments**

CTCL Property MHI Nominees No 1 Limited is a nominee company.

It is planned that the Company will act as a bare nominee for Citicorp Trustee Company Limited in relation to property investments of which Citicorp Trustee Company Limited is trustee.

### **Results and dividends**

The Company did not earn any revenues nor incur any expenses during the year or in the preceding year and, as a consequence, the Company made neither a profit nor a loss in respect of the year or in the preceding year.

The state of affairs of the Company as at the period end was as detailed in the balance sheet.

No dividends were paid by the Company during the year and the Directors do not recommend the declaration of a final dividend in respect of the year.

### **Directors and their interests**

The names of those Directors who held office as at 31 December 2002 were as follows:

V A Dickson  
A M Gaulter

J M Wertheim resigned with effect from 11 February 2002. V A Dickson was appointed a Director with effect from 11 February 2002. V A Dickson and A M Gaulter resigned as Directors with effect from 14 February 2003. S L Clark, A E Frascarelli, M G Lintunen, S D Quinn and H S Rees were appointed Directors with effect from 14 February 2003. A M Gaulter resigned as Secretary with effect from 14 February 2003 and J D Robson was appointed Secretary with effect from 14 February 2003.

None of the Directors who served during 2002 or their immediate families had, at any time during the year, any interests in the shares of or contracts with the Company or any other group undertaking which is required to be disclosed under the Companies Act 1985.

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### **REPORT OF THE DIRECTORS (continued)**

#### **Directors' responsibilities for financial statements**

Company law requires the Directors to prepare financial statements for each accounting reference period which give a true and fair view of the state of affairs of the Company and of the profit or, as the case may be, loss of the Company for that period (the "financial statements").

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 a 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 provisions of the Companies Act 1985 as amended.

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.

#### **Auditors**

An elective resolution to dispense with the annual appointment of the Auditors pursuant to s.386 of the Companies Act 1985 is in force. Accordingly the Company's present Auditors, KPMG Audit Plc, shall be deemed to be re-appointed for 2003 and subsequently until further notice.

Approved by the Board of Directors on 30 May 2003 and signed on their behalf by:



J D Robson  
Secretary

Registered office:  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB

# **CTCL PROPERTY MHI NOMINEES NO 1 LIMITED**

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## **Independent Auditors' Report to the Members of CTCL PROPERTY MHI NOMINEES NO 1 LIMITED**

We have audited the financial statements on pages 4 to 6.

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 are responsible for preparing the Directors' Report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

### **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 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.

*KPMG Audit Plc*

**KPMG Audit Plc**

Chartered Accountants  
Registered Auditor  
London  
30 May 2003

# CTCL PROPERTY MHI NOMINEES NO 1 LIMITED

(formerly SSSB (Banking) Nominees Limited and Schroder Salomon Smith Barney (Banking) Nominees Limited)

## BALANCE SHEET

as at 31 December 2002

		2002 £	2001 £
<b>Current assets</b>			
Amount due from group company	3	<u>100</u>	<u>100</u>
		2002 £	2001 £
<b>Share capital</b>			
Called up share capital	4	<u>100</u>	<u>100</u>

The notes on pages 5 and 6 form an integral part of these financial statements.

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.

These financial statements were approved by the Board of Directors on 30 May 2003 and signed on their behalf by:



S D Quinn  
Director

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## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. Principal accounting policies**

The accounting policies, which have been applied consistently throughout the current year and the preceding year, are set out below:

#### **a) Basis of presentation**

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

As permitted under the Companies Act 1985, consolidated financial statements have not been prepared because the Company is a wholly owned subsidiary of another company incorporated in the European Union.

In accordance with the revised Financial Reporting Standard ("FRS") 1, the Company has not prepared a cash flow statement. The Company's results are consolidated in the financial statements of its ultimate parent company, Citigroup Inc., which are made available to the public annually.

Under the subsidiary undertakings exemption of FRS 8, the Company is not required to disclose all transactions with other group companies and investees of the group qualifying as related parties.

### **2. Directors' emoluments**

None of the Directors received any emoluments during the period in respect of their services to the Company (2001: £nil).

### **3. Amount due from group company**

Assets of £100 (2001: £100) represent an amount due from a fellow group company.

### **4. Share capital**

	2002 £	2001 £
Authorised:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Issued, allotted and fully paid:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

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### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

#### **5. Ultimate parent company and parent undertaking of larger group of which the Company is a member**

The Company is a subsidiary undertaking of Citigroup Inc., which is incorporated in the United States of America under the laws of the State of Delaware.

The largest group in which the results of the Company are consolidated is that headed by Citigroup Inc. Copies of these group accounts are available to the public and may be obtained from Citigroup Document Services, 140 58<sup>th</sup> Street, Brooklyn, New York, NY 11220, United States of America.

The smallest group in which the results of the accounts are consolidated is that headed by Citibank Investments Limited. Copies of these group accounts are available to the public and may be obtained from its offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.