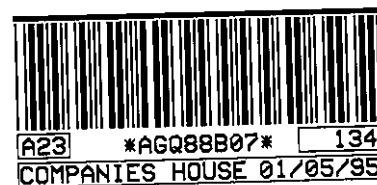


TERRA NOVA PENSION TRUSTEE LIMITED
(Registered Number: 2112236)

Report of the Directors and Audited Accounts

As at 30th September 1994



TERRA NOVA PENSION TRUSTEE LIMITED

Report of the Directors and Audited Accounts

As at 30th September 1994

The Directors submit their Sixth Annual Report and Accounts of the Company covering the year to 30th September 1994.

Activities

The Company is the Corporate Trustee of Terra Nova Insurance Company Limited Pension and Life Assurance Scheme. No other activities were pursued during the year.

Results

There is no income or expenditure in that no fees were charged in respect of the Trustee services provided by the Company during the period, the expenses of which were borne by Terra Nova Insurance Company Limited.

Directors

The Directors who served during the year were as follows:

D.J. Lewis
P.W. Norledge
J. Riddick
P.L. Wroughton

According to the Register maintained under Section 325 of the Companies Act 1985, no director had, during the year, any beneficial interest in the shares of any Group company.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the company's state of affairs at the end of the year. In preparing those financial statements, the directors are required to:

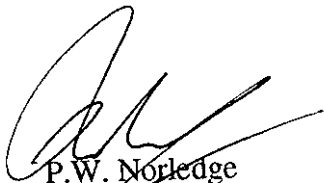
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution for the re-appointment of Coopers & Lybrand as auditors of the Company will be proposed at the Annual General Meeting.

For and on behalf of the Board.



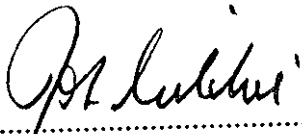
P.W. Norledge
Director & Secretary

30th April 1995

TERRA NOVA PENSION TRUSTEE LIMITED
BALANCE SHEET AS AT 30TH SEPTEMBER 1994

	<u>1994</u>	<u>1993</u>
	£	£
<u>Assets</u>	102	102
	—	—
	—	—
 <u>Representing</u>		
Called-up Share Capital	102	102
	—	—

Approved by the Board

 Director

..... Director

Date 30th March 1995

The notes on Page 5 form an integral part of these accounts and the Auditor's Report is on Page 6.

TERRA NOVA PENSION TRUSTEE LIMITED

Notes to the Accounts

1. Income and Expenditure

No income was received or receivable by the Company during the year and all expenses, including audit fees, were borne by the Parent Company. Accordingly, no profit and loss account has been produced.

2. Directors' Emoluments

The Directors neither received nor waived any emoluments for their services to the Company during the year.

3. Share Capital

	<u>1994</u>	<u>1993</u>
	£	£
Authorised	1,000	1,000
	—	—
Issued and fully paid ordinary shares		
2 shares of £1 each	2	2
Allotted called up and partly paid ordinary shares		
998 shares of £1 each (10 pence called up)	100	100
	102	102
	==	==

4. Ultimate Holding Company

The Directors consider that the ultimate holding company is Terra Nova Insurance Company Limited.

TERRA NOVA PENSION TRUSTEE LIMITED

Report of the Auditors to the Members of Terra Nova Pension Trustee Limited

We have audited the financial statements on pages 4 and 5.

Respective responsibilities of directors and auditors

As described on pages 2 and 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.


Basis of 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 30th September 1994 and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand
Chartered Accountants and Registered Auditors
London

31 March 1995