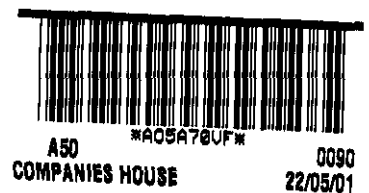


BRITANNIC MONEY INVESTMENT SERVICES LIMITED
(Formerly First Active IFA Limited)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2000



Company number: 2171236

BRITANNIC MONEY INVESTMENT SERVICES LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Company information | 1 |
| Report of the directors | 2 to 3 |
| Report of the auditors | 4 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Notes to the financial statements | 7 to 10 |

BRITANNIC MONEY INVESTMENT SERVICES LIMITED

COMPANY INFORMATION

| | |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| Directors | M D Seddon |
| Secretary | G M Wellman |
| Company Number | 2171236 |
| Registered Office | Sir William Atkins House Ashley Avenue Epsom Surrey KT18 5AS |
| Registered auditors | KPMG Audit Plc 1 Canada Square Canary Wharf London E14 5AG |
| Bankers | Barclays Bank PLC Financial Services and Structured Finance Team P O Box 544 54 Lombard Street London EC3P 3AH |

BRITANNIC MONEY INVESTMENT SERVICES LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2000

The directors present their report and the audited financial statements for the year ended 31 December 2000.

Principle activities and business review

The principal activities of the company throughout the year continued to be that of providing investment advice and effecting investment transactions.

In addition to these activities the company continued to be involved in assisting its parent undertaking with advice in connection with its employee benefit requirements. Substantial business was also generated throughout the year by way of direct marketing activities.

The profit and loss account is set out on page 5. The directors recommend payment of an interim dividend of £400k (1999: £nil). Looking ahead, the Company intends to develop its existing relationships and to create new opportunities for the Company.

Directors and their interests

The directors who served during the year and up to the date of this report were as follows:

I D Giles (Resigned 22 December 2000)
M D Seddon

According to the Register of Directors' Interests the directors had no interests in the share capital of the company.

The company has relied on Statutory Instrument 85/802 The Companies (Disclosure of directors interest) (Exceptions) Regulations 1985 in disclosing directors' interests.

Statement of 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 at the end of the financial year and of the profit or loss of the company for that year.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements have been made in the preparation of the financial statements for the year ended 31 December 2000. The directors also confirm that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements and that the financial statements have been prepared on a going concern basis.

The directors are responsible for maintaining adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company 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.

BRITANNIC MONEY INVESTMENT SERVICES LIMITED

REPORT OF THE DIRECTORS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2000

Elective Resolution

At the Annual General Meeting of the company held on 16 April 1998 Elective Resolutions were passed in respect of the financial year ending 31 December 1998 and subsequent years, pursuant to Section 379A of the Companies Act 1985 (the "Act"), that:

- a) in accordance with the provisions of the Act the company dispenses with the laying of accounts and reports before the company in General Meetings;
- b) in accordance with the provisions of Section 366A of the Act, the company dispenses with the holding of Annual General Meetings; and
- c) in accordance with the provisions of Section 386 of the Act the company dispenses with the obligation to appoint auditors annually.

Post Balance sheet event

On 16 February 2001 the company changed its name to Britannic Money Investment Services Limited.

Auditors

PriceWaterhouseCoopers resigned as auditors of the Company on 22 November 2000 and KPMG Audit Plc were appointed as auditors.

By order of the Board



M D Seddon
Director
30 April 2001

BRITANNIC MONEY INVESTMENT SERVICES LIMITED

REPORT OF THE AUDITORS

TO THE MEMBERS OF FIRST ACTIVE IFA LIMITED

We have audited the financial statements on pages 5 to 10.

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. 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 the company's affairs as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc

Chartered Accountants and Registered Auditors

1 Canada Square

Canary Wharf

London E14 5AG

30 April 2001

BRITANNIC MONEY INVESTMENT SERVICES LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2000**

| | | 2000 £'000 | 1999 £'000 |
|-----------------------------------------------------------------------|--------------|-----------------------------|-----------------------------|
| | Notes | | |
| Continuing operations | | | |
| Turnover | 2 | 508 | 484 |
| Administrative expenses | | <u>(423)</u> | <u>(287)</u> |
| Operating profit | | 85 | 197 |
| Interest receivable | | <u>22</u> | <u>28</u> |
| Profit on ordinary activities before taxation | 3 | 107 | 225 |
| Tax on profit on ordinary activities | 5 | <u>(33)</u> | <u>(68)</u> |
| Profit on ordinary activities after taxation | | 74 | 157 |
| Dividends | 6 | <u>(400)</u> | <u>-</u> |
| (Accumulated deficit) / retained profit for the financial year | 9 | <u><u>(326)</u></u> | <u><u>157</u></u> |

The company has no recognised gains or losses other than those above and therefore no separate statement of total recognised gains and losses has been presented.

BRITANNIC MONEY INVESTMENT SERVICES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2000

| | Notes | 2000 £'000 | 1999 £'000 |
|--------------------------------------|-------|-------------------|-------------------|
| ASSETS | | | |
| Current assets | | | |
| Debtors | 7 | - | 2 |
| Cash at bank and in hand | | <u>216</u> | <u>633</u> |
| Total assets | | <u>216</u> | <u>635</u> |
| LIABILITIES AND CAPITAL | | | |
| Capital and reserves | | | |
| Called up share capital | 8 | 1 | 1 |
| Profit and loss account | 9 | <u>108</u> | <u>434</u> |
| Equity shareholders' funds | 10 | <u>109</u> | <u>435</u> |
| Creditors | | | |
| Amounts falling due within one year | 11 | <u>107</u> | <u>200</u> |
| Total liabilities and capital | | <u>216</u> | <u>635</u> |

The financial statements on pages 5 to 10 were approved by the Board of Directors on 30 April 2001 and were signed on its behalf by:



M D Seddon
Director

BRITANNIC MONEY INVESTMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

1. Principal accounting policies

These financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below:

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Turnover

Turnover represents income earned by way of insurance commission and other financial services related transactions.

Taxation

Corporation tax is provided on taxable profits at the current tax rate. Tax charges and benefits arising from group relief are recognised in the financial statements of the surrendering and recipient companies.

Cashflow statement

The company is a wholly owned subsidiary of Britannic Money plc and the cashflows of the company are included in the consolidated group cashflow statement of Britannic Money plc. Consequently the company is exempt under the terms of Financial Reporting Standard No. 1 ("FRS1") (Revised) from publishing a cashflow statement.

Related party disclosures

Under the provisions of Financial Reporting Standard No. 8 ("FRS8"), the company has taken advantage of the exemption provided (for subsidiary undertakings whose voting rights are more than 90% controlled within the group) from disclosing group related party transactions. The consolidated financial statements of Britannic Money plc, in which these results are included, are publicly available.

2. Turnover

Contributions to turnover and profit on ordinary activities before taxation were derived from the company's principal activity, which was carried out in England and Wales.

3. Profit on ordinary activities before taxation

| | 2000 £'000 | 1999 £'000 |
|-----------------------------------------------------------------------------|---------------|---------------|
| The profit on ordinary activities before taxation is stated after charging: | | |
| Auditors' remuneration | <u>2</u> | <u>3</u> |

BRITANNIC MONEY INVESTMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

4. Directors and employees

The company employed no staff during the year. The company incurred the following recharge from Britannic Money plc in respect of expenditure incurred on behalf of the company:

| | 2000 £'000 | 1999 £'000 |
|-----------------------|---------------|---------------|
| Wages and salaries | 159 | 155 |
| Social security costs | <u>18</u> | <u>16</u> |
| | <u>177</u> | <u>171</u> |

Emoluments were paid to one director who served during the year, for services to the company, as follows:

| | 2000 £'000 | 1999 £'000 |
|----------------------|---------------|---------------|
| Aggregate emoluments | <u>50</u> | <u>50</u> |

The other directors received no remuneration from the company for their services.

5. Tax on profit on ordinary activities

| | 2000 £'000 | 1999 £'000 |
|-------------------------------------------------------------------|---------------|---------------|
| The tax charge is based on the profit for the year and comprises: | | |
| U K Corporation tax at 30% (1999: 30.25%) | <u>33</u> | <u>68</u> |

6. Dividends

| | 2000 £'000 | 1999 £'000 |
|-----------------------|---------------|---------------|
| Interim dividend paid | <u>400</u> | <u>-</u> |

7. Debtors

| | 2000 £'000 | 1999 £'000 |
|--------------------------------------|---------------|---------------|
| Amounts falling due within one year: | | |
| Prepayments and accrued income | <u>-</u> | <u>2</u> |

BRITANNIC MONEY INVESTMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

8. Called up share capital

| | 2000 £'000 | 1999 £'000 |
|-------------------------------------------|---------------|---------------|
| Authorised | | |
| 1,000 Ordinary shares of £1 each | <u>1</u> | <u>1</u> |
| Allotted, called up and fully paid | | |
| 1,000 Ordinary shares of £1 each | <u>1</u> | <u>1</u> |

9. Profit and loss account

| | 2000 £'000 | 1999 £'000 |
|---------------------------------------------------|---------------|---------------|
| At 1 January | 434 | 277 |
| (Accumulated loss) / retained profit for the year | <u>(326)</u> | <u>157</u> |
| At 31 December | <u>108</u> | <u>434</u> |

10. Reconciliation of movements in equity shareholders' funds

| | 2000 £'000 | 1999 £'000 |
|---------------------------------------------------|---------------|---------------|
| Opening equity shareholders' funds | 435 | 278 |
| (Accumulated loss) / retained profit for the year | <u>(326)</u> | <u>157</u> |
| Closing equity shareholders' funds | <u>109</u> | <u>435</u> |

11. Creditors: amounts falling due within one year

| | 2000 £'000 | 1999 £'000 |
|------------------------------------|---------------|---------------|
| Amounts owed to group undertakings | 67 | 34 |
| Group relief payable | 33 | 158 |
| Accruals and deferred income | 5 | 8 |
| Other creditors | <u>2</u> | <u>-</u> |
| | <u>107</u> | <u>200</u> |

BRITANNIC MONEY INVESTMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

12. Ultimate parent undertaking

The company is a 100% subsidiary of Britannic Money plc ("BM") (formerly First Active Finance plc), a company registered in England and Wales.

Copies of the financial statements of BM may be obtained from The Secretary, Sir William Atkins House, Ashley Avenue, Epsom, Surrey, KT18 5AS.

BM was a wholly owned subsidiary of First Active plc, a company registered in the Republic of Ireland until 29 September 2000. On this date, Britannic Assurance plc, a company registered in England and Wales acquired a 60% interest in the shares of BM. The ultimate parent undertaking and controlling party is Britannic Assurance plc.

Copies of the financial statements of Britannic Assurance plc may be obtained from The Secretary, Britannic Assurance plc, 1 Wythall Green Way, Wythall, Birmingham, B47 6WG.

Copies of the financial statements of First Active plc may be obtained from The Secretary, Skehan House, Booterstown, County Dublin, Republic of Ireland.

13. Post balance sheet event

On 16 February 2001 the company changed its name to Britannic Money Investment Services Limited.