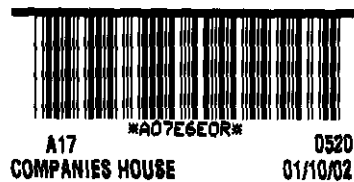


NOVAR PENSION TRUSTEES LIMITED
(Registered Number 2443830)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2001



NOVAR PENSION TRUSTEES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

The Directors present their annual report together with the unaudited financial statements for the year ended 31 December 2001.

PRINCIPAL ACTIVITY

The Company has not traded during the year.

DIRECTORS AND DIRECTORS' INTERESTS

The composition of the Board of Directors during the year, and to the date of this report, was as follows:

D Blakesley	(Resigned 31 March 2002)
J Chapman	(Resigned 4 July 2002)
A E Holland	
B G Kirkdale	
M J E McKeon	
R J Wells	(Resigned 28 October 2001)
W A A Gowans	(Appointed 30 May 2002)
R A Shord	(Appointed 9 July 2002)
Capital Cranfield Trustees Limited	(Appointed 5 September 2002)

None of the directors held any beneficial interests in shares in the Company during the year.

The interests of the directors in the issued Ordinary shares of Novar plc, the ultimate parent undertaking, are as follows:

	31 December 2001		1 January 2001 or date of appointment	
	Ordinary Shares Number	Options over Ordinary Shares Number	Ordinary Shares Number	Options over Ordinary Shares Number
J Chapman	103,062	795,162	77,325	743,800
A E Holland	19,123	391,721	18,515	344,045

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None of the Directors had any interests in the "B" shares of Novar plc. A E Holland had an interest in 99 Preference shares of Novar plc at 1 January 2001 and 31 December 2001.

The following options over Ordinary shares of Novar plc were granted to the directors during the year.

<u>Director</u>	<u>Options Granted</u> (Number of shares)
J Chapman	86,826
A E Holland	64,761

None of the Directors exercised any share options during the year. Options over 17,085 shares held by A E Holland lapsed during the year.

The corresponding interests of Mr M J E McKeon, who was also a Director of Novar plc at 31 December 2001, are disclosed in the financial statements of that company, being the ultimate parent undertaking, and are therefore not shown above.

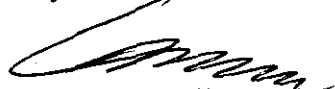
No Director was or is interested in any transaction, arrangement or agreement with the Company which was material during or at the end of the year.

The Company has continued to provide liability insurance for its Directors and Officers as permitted by the Companies Act 1985. All expenses were met by the ultimate parent undertaking.

AUDITORS

The Company is exempt by Section 250 of the Companies Act 1985 from appointing Auditors as otherwise required by Section 384 of the Act.

By Order of the Board


C K Bhowmik
Secretary

5 September 2002


NOVAR PENSION TRUSTEES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31 DECEMBER 2001

	Note	31 December 2001	31 December 2000
		£	£
CURRENT ASSETS			
Amount due from holding company		<u>2</u>	<u>2</u>
CAPITAL AND RESERVES			
Called up share capital	4	<u>2</u>	<u>2</u>

- (a) For the year ended 31 December 2001 the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.
- (c) 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 or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

These financial statements were approved by the Board of Directors on 5 September 2002 and signed on their behalf by:


A E Holland
Director

NOVAR PENSION TRUSTEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

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

2 COMPANY'S ACTIVITIES

During the year the Company has not traded, has not incurred any liabilities and consequently, has made neither profit nor loss.

The legal title of the Novar Pension Scheme's investments and cash is in the name of the Company. The Company holds these assets as trustee for the pension scheme and obtains no benefit from the assets.

3 DIRECTORS

None of the Directors received any emoluments in respect of their services to the Company.

4 SHARE CAPITAL

	<u>31 December 2001</u>	<u>31 December 2000</u>
	£	£
Authorised		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

5 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Novar plc, a company incorporated in Great Britain and registered in England. The Novar Group is the largest and smallest group of which the Company is a member and for which group financial statements are prepared. Copies of these group financial statements can be obtained from The Secretary, Novar plc, Novar House, 24 Queens Road, Weybridge, Surrey KT13 9UX.