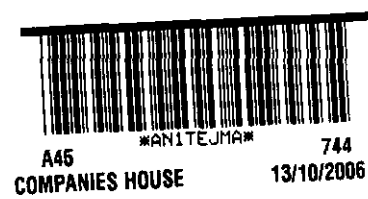


**Independent Trustee Services Limited**

**Annual Report  
For the year ended 31 December 2005**

**Registration Number: 2567540**



**Independent Trustee Services Limited**

**Annual report for the year ended 31 December 2005**

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## **Independent Trustee Services Limited**

### **Directors' report for the year ended 31 December 2005**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2005.

#### **Principal activities and future developments**

The principal activity of the company during the year under review, and for the foreseeable future, was to act as corporate trustee to pension funds.

#### **Review of the business**

The company traded in line with expectations for 2005 and it is consistent with prior years.

#### **Results and dividends**

The company's profit for the financial period is £151,570 (2004: £131,966). The directors do not recommend payment of a dividend (2004: £nil).

#### **Directors and their interests**

The directors who held office during the year and up to the date of signing these financial statements are given below::

H Kotecha	(appointed 1 <sup>st</sup> April 2005)
W Phelan	(appointed 1 <sup>st</sup> April 2005, resigned 31 <sup>st</sup> August 2005)
P M Redhead	(appointed 24 <sup>th</sup> January 2006)
R V Whitefoord	
C P V Martin	
M T Brown	
T C Monk	

There being no provision in the company's Articles of Association for the retirement of directors by rotation, the directors will continue in office.

Directors' interests are detailed in Note 11.

#### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company and of the profit or loss for that period. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

*The directors confirm that suitable accounting policies have been used and applied consistently with the exception of the changes arising on the adoption of new accounting standards in the period as explained under 'Accounting policies'. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 31 December 2005 and that applicable accounting standards have been followed.*

## **Independent Trustee Services Limited**

### **Directors' report for the year ended 31 December 2005 (*continued*)**

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

#### **Policy and practices on payment of creditors**

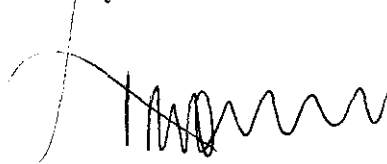
The company agrees payment terms with suppliers when it enters into contracts for the purchase of goods or services and seeks to abide by those terms when it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

The actual payment of suppliers is carried out by Jardine Lloyd Thompson UK Ltd and then recharged onto the company by means of an inter-company recharge. The company therefore abides by the code of practice specifically dealing with the payment of suppliers of Jardine Lloyd Thompson UK Ltd. Further details of this code can be found in the statutory accounts of Jardine Lloyd Thompson UK Ltd.

#### **Auditors**

In accordance with section 386 of the Companies Act 1985, the company has elected to dispense with the obligation to appoint auditors annually.

By order of the board

A handwritten signature in dark ink, appearing to be 'M T Brown', written over a horizontal line.

M T Brown  
Director

27TH SEPTEMBER 2006

## **Independent Trustee Services Limited**

### **Independent Auditors' report to the members of JLT Corporate Risks Limited for the year ended 31 December 2005**

We have audited the financial statements of Independent Trustee Services Limited for the year ended 31 December 2005, which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards (UK GAAP).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

## **Independent Trustee Services Limited**

### **Independent auditors' report to the members of Independent Trustee Services Limited**

#### **Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers LLP*

**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
London

*27 September 2006*

## **Independent Trustee Services Limited**

### **Profit and loss account for the year ended 31 December 2005**

		Year ended 31 December 2005 £	Year ended 31 December 2004 £
	Note		
<b>Turnover</b>			
Continuing operations	3	1,686,727	1,453,326
Administrative expenses	4	(1,535,157)	(1,322,560)
Operating profit – continuing operations		151,570	130,766
<b>Profit on ordinary activities before taxation</b>		<u>151,570</u>	<u>130,766</u>
Taxation on profit on ordinary activities	5	-	1,200
<b>Retained profit for the financial year</b>	9	<u>151,570</u>	<u>131,966</u>

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

There is no difference between the profit on ordinary activities before taxation and the retained profit for the period stated above and their historical cost equivalents.

The notes on pages 7 to 11 form an integral part of these financial statements.

# Independent Trustee Services Limited

## Balance sheet as at 31 December 2005

		31 December 2005 £	31 December 2004 £
	Note		
<b>Current assets</b>			
Debtors	6	516,597	619,546
Cash at bank and in hand		2,766,162	1,387,391
		<u>3,282,759</u>	<u>2,006,937</u>
<b>Creditors - Amounts falling due within one year</b>	7	(2,737,364)	(1,613,112)
<b>Net assets</b>		<u>545,395</u>	<u>393,825</u>
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Reserves		545,295	393,725
<b>Total shareholders' funds</b>	9	<u>545,395</u>	<u>393,825</u>

The financial statements on pages 5 to 11 were approved by the board of directors on 23/02/2006 and were signed on its behalf by:



M T Brown  
Director

The notes on pages 7 to 11 form an integral part of these financial statements.



## **Independent Trustee Services Limited**

### **Notes to the financial statements For the year ended 31 December 2005**

#### **1. Accounting policies**

##### **a) Basis of preparation**

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards. A summary of the principal accounting policies is set out below, together with an explanation of where changes have been made to previous policies on the adoption of new accounting standards in the period.

##### **b) Turnover**

Turnover represents the invoiced value of services excluding Value Added Tax less any provisions for bad and doubtful debts.

##### **c) Taxation**

The charge for taxation is based on the result for the year at current rates of taxation and takes into account deferred taxation.

Deferred tax is provided in full on all timing differences, including revaluation gains and losses on investments. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is calculated at the rates at which it is expected that the tax liability or benefit will arise. Deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to a gain or loss that is recognised directly in the statement of total recognised gains or losses. Deferred tax balances are not discounted.

#### **2. Cash flow statement and related party disclosures**

The company is a wholly owned subsidiary of Jardine Lloyd Thompson UK Holdings Limited and is included in the consolidated financial statements of Jardine Lloyd Thompson Group plc, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996). The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Jardine Lloyd Thompson group or investees of the Jardine Lloyd Thompson group. All related party transactions external to the group are disclosed in the consolidated financial statements of Jardine Lloyd Thompson Group plc.

#### **3. Segmental information**

All turnover and profit before taxation is derived from within the United Kingdom and is attributable to the principal activity of the company, which is to act as corporate trustee to pension funds.

# Independent Trustee Services Limited

## Notes to the financial statements

For the year ended 31 December 2005 (*continued*)

### 4. Profit on ordinary activities before taxation

	Year ended 31 December 2005 £	Year ended 31 December 2004 £
Profit before taxation is stated after charging:		
Administration costs	2,610	377
Management charges from group companies	1,532,547	1,322,183
<b>Administrative expenses</b>	<b>1,535,157</b>	<b>1,322,560</b>

The auditors' remuneration, including non-audit fees, for the financial period ended 31 December 2005 is recorded in the accounts of Jardine Lloyd Thompson UK Limited.

### 5. Tax on profit on ordinary activities

	Year ended 31 Dec 2005 £	Year ended 31 Dec 2004 £
<b>Current tax:</b>		
UK corporation tax on profits of the period	-	-
Adjusted in respect of previous periods	-	(1,200)
<b>Total current tax</b>	<b>-</b>	<b>(1,200)</b>
<b>Tax on profit on ordinary activities</b>	<b>-</b>	<b>(1,200)</b>

The taxation charge for the period is lower than the standard rate of corporation tax in the UK (30 per cent). The differences are explained below:

	Year ended 31 Dec 2005 £	Year ended 31 Dec 2004 £
<b>Profit on ordinary activities before tax</b>	<b>151,570</b>	<b>130,766</b>
Profit on ordinary activities multiplied by standard rate in UK 30% (2004: 30%)	45,471	39,230
Effects of:		
Permanent additions to taxable result principally entertainment expenses and surrender of losses to other group companies.	739	
Permanent deductions from taxable result principally offset of losses surrendered by other group companies.	(46,210)	(39,230)
Adjustments to tax charge in respect of prior periods	-	(1,200)
<b>Current tax credit for the period</b>	<b>-</b>	<b>(1,200)</b>

# **Independent Trustee Services Limited**

## **Notes to the financial statements**

**For the year ended 31 December 2005 (*continued*)**

### **6. Debtors**

	<b>31 Dec 2005</b>	<b>31 Dec 2004</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	359,135	336,404
Prepayments and accrued income	157,462	283,142
	<u>516,597</u>	<u>619,546</u>

### **7. Creditors – Amounts falling due within one year**

	<b>31 Dec 2005</b>	<b>31 Dec 2004</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	2,716,013	1,612,084
Other creditors	21,351	1,028
	<u>2,737,364</u>	<u>1,613,112</u>

Amounts owed to group undertakings are unsecured and bear an interest rate of 5.64% and are repayable on demand.

### **8. Called up share capital**

	<b>31 Dec 2005</b>	<b>31 Dec 2004</b>
	<b>£</b>	<b>£</b>
<b>Authorised:</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted and fully paid:</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

## **Independent Trustee Services Limited**

### **Notes to the financial statements**

#### **For the year ended 31 December 2005 (*continued*)**

##### **9. Reconciliation of movements in shareholders' funds**

	<b>Year ended 31 December 2005 £</b>	<b>Year ended 31 December 2004 £</b>
Profit for the period	151,570	131,966
	151,570	131,966
Shareholders' funds at the beginning of the period	393,825	261,859
Shareholders' funds at the end of the period	545,395	393,825

##### **10. Directors' emoluments**

	<b>Year ended 31 December 2005 £</b>	<b>Year ended 31 December 2004 £</b>
Aggregate emoluments excluding pension scheme contributions	178,663	125,736
Pension contributions – defined contribution schemes	133	-
	178,796	125,736

At 31 December 2005 5 directors were members of a defined benefit pension scheme (2004: 3) and 1 director was a member of a defined contribution pension scheme (2004: nil).

##### **Highest paid director**

The highest paid director for the period has not been disclosed as the aggregate emoluments shown above do not exceed £200,000 in accordance with section 246 of the Companies Act 1985.

## Independent Trustee Services Limited

### Notes to the financial statements

For the year ended 31 December 2005 (*continued*)

#### 11. Directors' interests

M T Brown and P M Redhead are directors of Jardine Lloyd Thompson UK Holdings Limited. Any relevant interests for these directors, which are disclosable in accordance with section 324 of the Companies Act 1985, are disclosed in the accounts of that company.

The interests of the directors in the ordinary shares of Jardine Lloyd Thompson Group plc, all of which are beneficially held, are set out below:

	31 December 2005			1 January 2005	
	Number of shares	Number of options	Options granted (exercised)	Number of shares	Number of options
C P V Martin	393	45,000	20,000	393	25,000
H Kotecha	953	17,500	10,000	864	7,500
T C Monk	1,483	2,020	-	1,073	2,020
R V Whitefoord	208	-	-	208	-

Options are held over ordinary shares of 5p each in Jardine Lloyd Thompson Group plc shares.

With the exception of the above, no director had any additional interest in the share capital of the ultimate holding company or its subsidiaries during the year.

#### 12. Parent undertaking

The company's immediate parent undertaking is JLT Benefit Solutions Limited registered in the United Kingdom.

Jardine Lloyd Thompson Group plc is the ultimate parent company for which consolidated group accounts are prepared and of which the company is a member.

Copies of the consolidated accounts can be obtained from:

Name	Jardine Lloyd Thompson Group plc
Country of incorporation or registration	England
Address from where copies of the group accounts can be obtained	6 Crutched Friars London EC3N 2PH