

Registered Number : 2638489

**SUN LIFE OLAC LIMITED**

**REPORT AND ACCOUNTS FOR THE YEAR ENDED**

**31 DECEMBER, 1994**



**Registered Office : 107 Cheapside, London, EC2V 6DU**

# SUN LIFE OLAC LIMITED

## DIRECTORS' REPORT

---

The directors have pleasure in submitting their report and the audited accounts for the year to 31 December, 1994.

### Principal Activities

The Company acts as a UK holding company for an offshore life assurance company, Sun Life International (IOM) Limited.

### Share Capital

On 22 December, 1994 the Company issued 2,400,000 ordinary shares of £1 each at par, to Sun Life Assurance Society plc.

### Results

During the year, the Company made a profit before tax of £2,099 (1993 £1,970).

### Directors

The directors of the Company are listed below:

J Reeve  
J L Riley

In addition, Mr R C Surface served as a director during the year and resigned on 28 November, 1994.

### Directors' Interests in Shares

The directors had no interest in the shares of Sun Life Corporation plc or any of its subsidiaries as at 31 December, 1994.

### Directors' and Officers' Liability Insurance

Since the end of the financial year, Sun Life Assurance Society plc has purchased and now maintains insurance against liabilities for all directors and officers in the Sun Life Group.

### Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the reappointment of Mazars as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board.



I D Richardson  
Secretary

14 February, 1995

**SUN LIFE OLAC LIMITED**

**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December, 1994

	1994	1,993
	£	£
Interest receivable (note 2)	2,131	2,095
Interest payable to a group company	-	(93)
	2,131	2,002
Administrative expenses (note 4)	(32)	(32)
<b>Profit on ordinary activities before tax</b>	<b>2,099</b>	<b>1,970</b>
Taxation (note 5)	(525)	(492)
<b>Profit on ordinary activities after tax</b>	<b>1,574</b>	<b>1,478</b>
<b>Retained profit brought forward</b>	<b>2,870</b>	<b>1,392</b>
<b>Retained profit carried forward</b>	<b>4,444</b>	<b>2,870</b>

**Statement of total recognised gains and losses**

	1994	1993
	£	£
Profit for the period ending 31 December	1,574	1,478
Unrealised deficit on revaluation of investments	(2,680,514)	(468,608)
<b>Total recognised gains and losses relating to the period ending 31 December</b>	<b>(2,678,940)</b>	<b>(467,130)</b>

The notes on pages 4 and 5 form an integral part of these accounts.

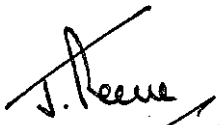
# SUN LIFE OLAC LIMITED

## BALANCE SHEET at 31 December, 1994

	1994		1993	
	£	£	£	£
<b>Investments</b>				
Fixed interest securities		20,814		23,494
Investment in subsidiary company (note 8)		2,036,674		2,314,508
		<u>2,057,488</u>		<u>2,338,002</u>
<b>Current assets</b>				
Amount owed by a group company	3,716		3,683	
Tax recoverable	481		481	
Interest receivable	895		895	
	<u>5,092</u>		<u>5,059</u>	
<b>Current liabilities</b>				
Amount due to a group company	-		1,594	
Tax payable	473		472	
Deferred taxation	296		244	
	<u>769</u>		<u>2,310</u>	
<b>Net current assets</b>		4,323		2,749
<b>Net assets</b>		<u>2,061,811</u>		<u>2,340,751</u>
<b>Capital and reserves</b>				
Called up share capital (note 7)		6,724,002		4,324,002
Profit and loss account		4,444		2,870
Revaluation reserve		(4,666,635)		(1,986,121)
		<u>2,061,811</u>		<u>2,340,751</u>

The notes on pages 4 and 5 form an integral part of these accounts.

Approved by the Board on 14 February, 1995.

  
J Reeve  
Director

# SUN LIFE OLAC LIMITED

## NOTES TO THE ACCOUNTS

### 1. Accounting Policies

- (a) The accounts are prepared under the historical cost convention, other than for the items noted in (b) below, and in accordance with applicable accounting standards.
- (b) Investments in fixed interest securities are shown at market value. Investment in subsidiary company is shown at net asset value.
- (c) Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly-owned subsidiary undertaking.

### 2. Interest Receivable

	1994 £	1993 £
Interest on fixed interest security	1,922	1,922
Interest from a group company	209	173
	2,131	2,095

### 3. Directors' Emoluments

No emoluments were paid by the Company to directors during the year.

### 4. Administrative Expenses

The remuneration of the auditors and staff costs have been borne by the parent company.

### 5. Taxation

	1994 £	1993 £
Corporation tax at 25%	473	472
Deferred taxation	52	20
	525	492

### 6. Immediate and Ultimate Parent Companies

The immediate parent company is Sun Life Assurance Society plc, a company incorporated in Great Britain and registered in England and Wales.

The ultimate parent company is Sun Life Holdings PLC which is incorporated in Great Britain and registered in England and Wales.

**SUN LIFE OLAC LIMITED**  
**NOTES TO THE ACCOUNTS continued**

7. Share Capital

	Ordinary shares of £1 each	£
Authorised Share Capital: At 31 December, 1993	5,000,000	5,000,000
Authorised Share Capital: At 31 December, 1994	10,000,000	10,000,000
Allotted, issued and fully paid: At 31 December, 1993	4,324,002	4,324,002
2,400,000 shares issued at par on 22 December, 1994 to Sun Life Assurance Society plc	2,400,000	2,400,000
At 31 December, 1994	6,724,002	6,724,002

8. Subsidiary Company

The Company owns 80% of the Ordinary shares and 80% of the Deferred Ordinary shares of Sun Life International (IOM) Limited, which is registered in Isle of Man.

Group accounts have not been prepared as the Company is a wholly owned subsidiary of Sun Life Assurance Society plc, a company incorporated in Great Britain and registered in England and Wales.

9. Movements in Total Shareholder's Funds

	Share Capital	Revaluation Reserve	Profit and Loss Account	Total
	£	£	£	£
At 1 January, 1994	4,324,002	(1,986,121)	2,870	2,340,751
Profit for the financial year after taxation			1,574	1,574
Unrealised deficit on revaluation of investments		(2,680,514)		(2,680,514)
Increase in issued share capital	2,400,000			2,400,000
At 31 December, 1994	6,724,002	(4,666,635)	4,444	2,061,811

## **SUN LIFE OLAC LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

---

The following statement is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the accounts.

The responsibilities of the auditors are set out in the audit report on page 7.

The directors are required by the Companies Act 1985 to prepare accounts for each financial year which show a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The directors consider that in preparing the accounts on pages 2 to 5, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed. The directors are required to be satisfied that it is appropriate to prepare accounts on a going concern basis.

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the accounts comply with the Companies Act 1985.

The directors 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.

## SUN LIFE OLAC LIMITED

### AUDITORS' REPORT TO THE SHAREHOLDERS OF SUN LIFE OLAC LIMITED

---

We have audited the accounts on pages 2 to 5 which have been prepared under the accounting policies set out in Note 1 on page 4.

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

As described on page 6 the Company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

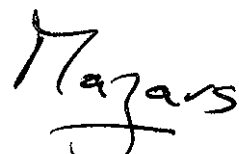
#### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

#### **Opinion**

In our opinion the accounts give a true and fair view of the state of the Company's affairs as at 31 December 1993 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Mazars  
Chartered Accountants  
Registered Auditors  
London

21 February, 1995