

**SCOTTISH & NEWCASTLE
RETAIL PENSIONS LIMITED**

FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 1997



SCOTTISH & NEWCASTLE RETAIL PENSIONS LIMITED

DIRECTORS

Mr J H W Fairweather
Mr C J Ripper
Mr P A Hurcombe

Mr P J Dolan
Mr M J Fox
Mr R D Smart

COMPANY SECRETARY

Mrs F G M Smith

REGISTERED OFFICE

Cloisters House
High Street
Rickmansworth
Hertfordshire
WD3 1BG

REGISTERED NUMBER

2862968

AUDITORS

Scott Oswald
Chartered Accountants
1 Royal Terrace
Edinburgh
EH7 5AD

YEAR ENDED 30 APRIL 1997

SCOTTISH & NEWCASTLE RETAIL PENSIONS LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and the financial statements for the year ended 30 April 1997.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. 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;
- prepare the financial statements on the going concern basis.

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

PRINCIPAL ACTIVITIES

The Company did not trade during the year.

DIRECTORS

The directors of the company during the year, together with their interest in the share capital, were as follows:-

	30 April 1997	1 May 1996 (or date of appointment)
Mr J H W Fairweather	1	1
Mr J E Cregan (resigned 15.10.96)	-	1
Mr C J Ripper	1	1
Mr P J Dolan	1	1
Mr M J Fox	1	1
Mr R D Smart	1	1
Mr A Hargreaves (resigned 4.3.97)	-	1
Mr P A Hurcombe (appointed 15.10.96)	1	1

SCOTTISH & NEWCASTLE RETAIL PENSIONS LIMITED

REPORT OF THE DIRECTORS continued...

AUDITORS

Scott Oswald, Chartered Accountants retire in accordance with Section 385 Companies Act 1985 and offer themselves for re-appointment.

ON BEHALF OF THE BOARD ON 19 AUGUST 1997

A handwritten signature in black ink, appearing to read 'Mr. J. H. Whitton', followed by a period.

MR JAMES HENRY WHITTON FAIRWEATHER
DIRECTOR

BALANCE SHEET
30 APRIL 1997

THE FINANCIAL STATEMENTS WERE
SIGNED ON BEHALF OF THE BOARD ON 19 AUGUST 1997

Mr. Butler.

MR JAMES HENRY WHITTON FAIRWEATHER
DIRECTOR

Answer

MR PETER ADRIAN HURCOMBE
DIRECTOR

REPORT OF THE AUDITORS TO THE MEMBERS OF SCOTTISH & NEWCASTLE RETAIL PENSIONS LIMITED

We have audited the financial statements on Page 4 which have been prepared under the historical cost convention.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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

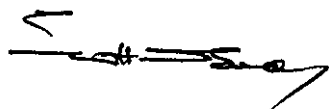
BASIS OF OPINION

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 affairs of the company at 30 April 1997 and have been properly prepared in accordance with the Companies Act 1985.



SCOTT OSWALD
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
EDINBURGH

21 AUGUST 1997