

**MORRIS (SP) HOLDINGS LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2001**



## **MORRIS (SP) HOLDINGS LIMITED**

### **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 30 September 2001.

### **PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

During the year, the principal activities of the company were the receipt of interest income from a loan made to its parent undertaking and the payment of interest on an overdraft balance. The directors expect this level of activity to reduce in the future.

### **RESULTS AND DIVIDENDS**

The results of the company for the year are set out in detail on page 4. The directors declared a final dividend of £1,000,000 (2000: £19,000,000). The retained profit of £4,692,537 (2000 loss: £13,468,352) will be added to reserves. Subsequent to the year end, on 21 December 2001 an interim dividend of £10,000,000 was paid.

### **DIRECTORS AND DIRECTORS' INTERESTS**

The directors who held office at the year end were as follows:-

S J Brooks (Appointed 2 February 2001, resigned 22 May 2002)

A J White

P R Freeman resigned as a director of the company on 2 February 2001.

K P Collins, J Gearing and N S Slape were appointed as directors of the company on 22 May 2002.

None of the directors had a disclosable interest in the shares or debentures of any group company. The directors are exempt from disclosing their interests in the shares or debentures of the ultimate parent undertaking, at year end, Allianz AG, as it is incorporated outside the UK.

## **MORRIS (SP) HOLDINGS LIMITED**

### **DIRECTORS REPORT (CONTINUED)**

#### **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 as at the end of the financial year 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;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which 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.

#### **AUDITORS**

The company has passed an elective resolution in accordance with section 379A of the Companies Act 1985 to dispense with the annual appointment of the auditors; accordingly PricewaterhouseCoopers will remain in office.

Approved by the Board of Directors  
Signed on behalf of the Board



James Wall  
Secretary  
5 July 2002

## **MORRIS (SP) HOLDINGS LIMITED**

### **Independent Auditors' Report To The Members Of Morris (SP) Holdings Limited**

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

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 other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

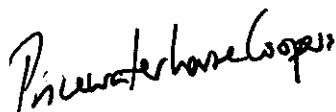
#### **Basis of audit opinion**

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 at 30 September 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
London

5th July 2002

**MORRIS (SP) HOLDINGS LIMITED****PROFIT AND LOSS ACCOUNT****For the year ended 30 September 2001**

	<b>Note</b>	<b>2001 £</b>	<b>2000 £</b>
Interest receivable from parent undertaking		8,173,802	7,944,414
Interest payable to parent undertaking		(41,607)	(42,060)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>8,132,195</b>	<b>7,902,354</b>
Taxation charge	3	(2,439,658)	(2,370,706)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b>5,692,537</b>	<b>5,531,648</b>
Dividends proposed/ paid		(1,000,000)	(19,000,000)
<b>RETAINED PROFIT/ (LOSS) FOR THE YEAR</b>	7	<b>4,692,537</b>	<b>(13,468,352)</b>

All amounts shown are derived from continuing activities. There are no recognised gains or losses for the year other than the profit on ordinary activities after taxation disclosed above. Accordingly no statement of total recognised gains and losses is given.

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.

A statement showing the movement in the profit and loss account reserve is set out in note 7 on page 7.

The notes on pages 6 to 8 form an integral part of these accounts.

# MORRIS (SP) HOLDINGS LIMITED

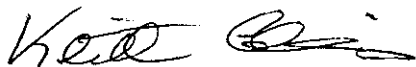
## BALANCE SHEET

As at 30 September 2001

	Note	2001 £	2000 £
<b>CURRENT ASSETS</b>			
Debtors	4	125,729,317	137,555,514
Creditors: amounts falling due within one year	5	(9,369,653)	(25,888,386)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		116,359,664	111,667,128
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	10,000	10,000
Share premium	7	106,089,200	106,089,200
Profit and loss account	7	10,260,464	5,567,928
		<hr/>	<hr/>
<b>EQUITY SHAREHOLDER'S FUNDS</b>		116,359,664	111,667,128
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These financial statements were approved by the Board of Directors on 5 July 2002.

Signed on behalf of the Board of Directors



Director

The notes on pages 6 to 8 form an integral part of these accounts.

# MORRIS (SP) HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

### 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The principal accounting policies adopted are described below.

#### Accounting convention

These financial statements have been prepared under the historical cost convention.

#### Related party transactions

Morris (SP) Holdings Ltd's intermediate parent undertaking, Dresdner Kleinwort Wasserstein Group Limited, prepares consolidated financial statements which are publicly available. Accordingly advantage is taken in these financial statements of the exemptions available in Financial Reporting Standard No.8 for disclosure of transactions with entities that are part of the group or investees of group entities as related parties.

#### Cash flow statement

The company has taken advantage of the exemption under Financial Reporting Standard No.1 (revised) not to prepare a cash flow statement on the grounds that the intermediate parent undertaking, Dresdner Kleinwort Wasserstein Group Limited, prepares consolidated accounts, which are publicly available.

### 2. ADMINISTRATIVE EXPENSES

Costs of administration are borne by the intermediate parent undertaking, Dresdner Kleinwort Wasserstein Ltd. These include the remuneration of the auditors. None of the directors received any emoluments for services to the company. The company had no employees during the year.

### 3. TAXATION CHARGE

	2001 £	2000 £
Group relief payable at 30% (2000: 30%)	2,439,658	2,370,706

### 4. DEBTORS:

	2001 £	2000 £
Amounts due from parent undertaking and fellow subsidiary undertakings	125,729,317	137,555,514

Amounts due from intermediate parent undertaking and fellow subsidiary undertakings are interest bearing and due within one year.

# MORRIS (SP) HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

5. CREDITORS: amounts falling due within one year	2001 £	2000 £
Amounts owed to parent undertaking and fellow subsidiary undertakings	639,941	19,598,333
Group relief payable	8,729,712	6,290,053
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	9,369,653	25,888,386
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Amounts owed to intermediate parent undertaking and fellow subsidiary undertakings are interest bearing and due within one year.

6. CALLED UP SHARE CAPITAL	2001 £	2000 £
Authorised, allotted and fully paid: 10,000 ordinary shares of £1 each	10,000	10,000
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## 7. COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

	Issued share capital £	Share premium account £	Profit and loss account £	Shareholders' funds total 2001 £	Shareholders' funds total 2000 £
At start of the year	10,000	106,089,200	5,567,927	111,667,127	125,135,480
Profit on ordinary activities after taxation	-	-	5,692,537	5,692,537	5,531,648
Dividends paid	-	-	(1,000,000)	(1,000,000)	(19,000,000)
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At end of the year	10,000	106,089,200	10,260,464	116,359,664	111,667,128
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## **MORRIS (SP) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 September 2001**

#### **8. ULTIMATE PARENT UNDERTAKING**

The ultimate parent undertaking for the period to 23 July 2001 was Dresdner Bank AG, a company incorporated in Germany. Since 23 July 2001 the ultimate parent undertaking has been Allianz AG, a company incorporated in Germany.

For consolidation purposes, Dresdner Kleinwort Wasserstein Group Limited, a company incorporated in Great Britain and registered in England and Wales, is the parent undertaking of the smallest group of which the company is a member. Copies of the consolidated financial statements of Dresdner Kleinwort Wasserstein Group Limited and Dresdner Bank AG, for the year ended 31 December 2001, will be filed in due course at the Companies Registration Office, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ. Financial statements for Allianz AG are available from Allianz AG, Investor Relations, Koeniginstrasse 28, D-80802 Munich, Germany.