

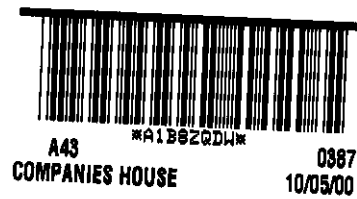
Company registration number: 3042092

NEW STREET ASSET MANAGEMENT LIMITED

(formerly Inter\$rate Limited)

DIRECTORS' REPORT AND ACCOUNTS

31ST DECEMBER 1999



NEW STREET ASSET MANAGEMENT LIMITED

Directors

T.R. Howe  
R. W. Killingbeck  
D.R. Poole  
M.C. Ellisdon

Secretary

S.P. Doherty

REPORT OF THE DIRECTORS

The directors submit their annual report, together with the accounts of the Company for the year ended 31st December 1999.

REVIEW OF THE YEAR

The Company's principal activity is to act as a manager of collective investment schemes. The Company has not traded during the year. On 28<sup>th</sup> June 1999 the Company changed its name from Inter\$rate Limited to New Street Asset Management Limited.

DIRECTORS' AND OFFICERS' INSURANCE

The ultimate holding Company maintained an insurance policy for the directors and officers against liabilities incurred in the conduct of their duties throughout the year.

DIRECTORS

The names of the directors of the Company appear at the head of the report. The directors have served since their appointments to the Board on 17<sup>th</sup> June 1999.

Messrs R Fiddemont and S P Doherty served as directors of the Company until their resignations from the Board on 17<sup>th</sup> June 1999.

The Company's Articles of Association make no provision for the retirement of directors by rotation.

DIRECTORS' INTERESTS IN SHARES

The Company is a subsidiary of Singer & Friedlander Investment Management Limited whose ultimate holding company is Singer & Friedlander Group PLC.

Messrs T R Howe, R W Killingbeck and D R Poole are directors of Singer & Friedlander Investment Management Limited, accordingly their interests in the share and loan capital of Singer & Friedlander Group PLC and its subsidiary undertakings are not required to be recorded in this Company's register of directors' interests.

As at 31<sup>st</sup> December 1999 and 17<sup>th</sup> June 1999 Mr. M C Ellisdon held an option to acquire 18,588 ordinary shares of 10 pence each in the share capital of Singer & Friedlander Group PLC in accordance with the terms of the Singer & Friedlander Group plc share save scheme.

NEW STREET ASSET MANAGEMENT LIMITED

REPORT OF THE DIRECTORS  
(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 and of the profit or loss of the Company for that year. 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, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

BY ORDER OF THE BOARD



R.W.Killingbeck  
Director

Registered Office:  
21 New Street  
Bishopsgate  
London EC2M 4HR

27<sup>th</sup> April 2000

REPORT OF THE AUDITORS TO THE MEMBERS OF  
NEW ASSET MANAGEMENT LIMITED

We have audited the financial statements on pages 4 to 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the director's report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. 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 with the company is not disclosed.

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 as at 31<sup>st</sup> December 1999 and its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

KPMG Audit Plc  
8 Salisbury Square  
LONDON  
EC4Y 8BB

Chartered Accountants  
Registered Auditor

27<sup>th</sup> April 2000

NEW ASSET MANAGEMENT LIMITED  
PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 1999

	<u>Notes</u>	<u>1999</u> £	<u>1998</u> £
Turnover	2	-	-
Interest receivable		257	-
		<hr/>	<hr/>
Profit on Ordinary Activities before Taxation	3	257	-
Tax on profit on ordinary activities	4	(78)	-
		<hr/>	<hr/>
Profit for the financial year		179	-
Retained Profit brought forward		-	-
		<hr/>	<hr/>
Retained Profit Carried Forward		179	-
		<hr/> <hr/>	<hr/> <hr/>

The notes on page 6 form part of these financial statements

NEW ASSET MANAGEMENT LIMITED  
BALANCE SHEET AT 31ST DECEMBER, 1999

	<u>Note</u>	<u>1999</u> £	<u>1998</u> £
CURRENT ASSETS			
Cash at bank		25,257	2
CREDITORS: Amounts falling due within one year		78	-
		-----	-----
NET ASSETS		25,179 =====	2 =====
CAPITAL AND RESERVES			
Share Capital	5	25,000	2
Profit and loss account	3	179	-
		-----	-----
SHAREHOLDERS' FUNDS		25,179 =====	2 =====

The accounts were approved by the board of directors on 27<sup>th</sup> April 2000.



Mr. M.C. Ellidson  
DIRECTOR

The notes on page 6 form part of these accounts.

NEW STREET ASSET MANAGEMENT LIMITEDNOTES TO THE ACCOUNTS1. ACCOUNTING POLICIESAccounting convention

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

Cash flow

The company is a wholly owned subsidiary of an ultimate parent undertaking which prepares consolidated financial statements including a consolidated cash flow statement. It is therefore exempt under Financial Reporting Standard 1 from preparing its own cash flow statement.

2. TURNOVER

The Company has not traded during the year nor the preceding year.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The audit fee is borne by Singer & Friedlander Limited.

4. TAXATION

	<u>1999</u>	<u>1998</u>
	£	£
UK Corporation tax at 30.25% on profit for the year	78	-
	=====	=====

5. CALLED UP SHARE CAPITAL

	<u>1999</u>	<u>1998</u>
	£	£
Authorised:		
Ordinary shares of £1 each	25,000	1,000
	=====	=====
Allotted, called up and fully paid:		
Ordinary shares of £1 each	25,000	2
	=====	=====

6. DIRECTORS' EMOLUMENTS

None of the directors received any emoluments during the year in respect of their services to the Company (1998: nil).

7. PARENT AND ULTIMATE HOLDING COMPANIES

The company's immediate parent is Singer & Friedlander Holdings Limited, a company incorporated in England and Wales. The Company's results are included in the consolidated financial statements of Singer & Friedlander Group PLC, its ultimate parent undertaking, a company incorporated in England and Wales. Copies of the group financial statements of Singer & Friedlander Group PLC, which is the smallest and largest group in which the results of the company are consolidated, can be obtained from this company's registered office.