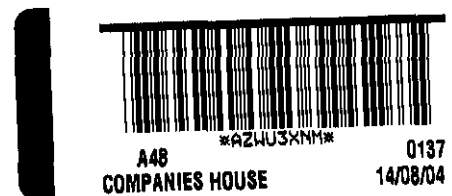


REGISTERED NO: 3302904

**CONCOURSE SKELMERSDALE LIMITED**



31 DECEMBER 2003

ANNUAL REPORT AND FINANCIAL STATEMENTS

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**DIRECTORS**

D Jordison  
N A Pearce  
D J Price (resigned 10 September 2003)  
A D Strang

**SECRETARY AND REGISTERED OFFICE**

A Kaye  
60 St Mary Axe  
London  
EC3A 8JQ

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003**

The Directors present their report and the audited financial statements for the year ended 31 December 2003.

**Significant developments and principal activities**

The principal activity of the Company is to act as general partner to The Skelmersdale Limited Partnership based in the United Kingdom. The Directors do not anticipate any change in the nature of activities in the foreseeable future.

The Company is a subsidiary of Zurich Financial Services, a company incorporated in Switzerland.

**Results and dividends**

The profit and loss account for the year is set out on page 6. The level of business and the financial position at the end of the year are satisfactory. The Directors do not recommend a dividend (2002: £Nil).

**Fixed assets**

The Company contributed 0.5% of the capital of The Skelmersdale Limited Partnership. Details of the Company's investments are disclosed in note 6 to the accounts.

**Directors**

The names of the Directors and Secretary of the Company are listed on page 2. The directors all held office throughout the year unless otherwise shown.

**Directors' interests**

The Company is a wholly owned subsidiary of Zurich Financial Services, a company incorporated in Switzerland. As such, no director had any interests in shares and debentures required to be disclosed under the Companies Act 1985.

No directors exercised options in Zurich Financial Services during the year.

No directors had material interests in contracts of significance with the Company or any subsidiary company of Zurich Financial Services during the year.

**Statement of Directors' responsibilities**

The following statement sets out the responsibilities of the directors in relation to the financial statements of the Company. The report of the auditors, shown on page 5, sets out their responsibilities in relation to the financial statements.

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 period and of the profit or loss for the financial period. In preparing those financial statements, the directors are required to:

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**Statement of Directors' responsibilities (Continued)**

- select appropriate policies and apply them consistently, subject to any material departures being disclosed and explained;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis, unless they consider that to be inappropriate.

The directors are responsible for ensuring that the Company keeps sufficient accounting records to disclose with reasonable accuracy the financial position of the Company and to enable them to ensure that the financial statements comply with the United Kingdom Companies Act 1985.

They are also responsible for taking reasonable steps to safeguard the assets of the Company, and in that context to have proper regard to the establishment of appropriate systems of internal control with a view to the prevention and detection of fraud and other irregularities.

**Auditors**

The directors have taken advantage of the Elective Regime, under Section 386 of the Companies Act 1985, for the dispensation from the annual appointment of auditors. The auditors, PricewaterhouseCoopers LLP, have signified their willingness to continue in office.

By order of the Board



A Kaye  
Company Secretary

Date: 22 July 2004

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**Independent auditors' report to the members of Concourse Skelmersdale Limited**

We have audited the financial statements on pages 6 to 12.

**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 pages 3 and 4.

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. 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 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. The other information comprises only the directors' report.

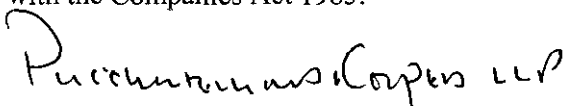
**Basis of audit opinion**

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 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



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

Date: 22 July 2004

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2003**

	Notes	2003 £	2002 £
Administrative expenses		(11,885)	-
<b>Operating loss</b>		<u>(11,885)</u>	<u>-</u>
Income from fixed asset investment	3	11,599	13,714
Interest receivable		913	897
<b>Profit on ordinary activities before taxation</b>	4	<u>627</u>	<u>14,611</u>
<b>Tax on profit on ordinary activities</b>	5	(188)	(4,384)
<b>Profit for the financial year after taxation</b>		<u>439</u>	<u>10,227</u>

The movements on reserves are set out in note 10.

All results are derived from continuing operations.

There is no difference between the profit on ordinary activities for the year and the retained profit above, and their historical cost equivalents.

The Company has no recognised gains and losses other than those included in the profit and loss account above, and therefore no separate statement of recognised gains and losses has been produced.

The notes on pages 8 to 12 form an integral part of these financial statements.

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

**BALANCE SHEET**  
**AS AT 31<sup>st</sup> DECEMBER 2003**

	Notes	2003 £	2002 £
<b>Fixed assets</b>			
Investments	6	<u>2,500</u> 2,500	<u>2,500</u> 2,500
<b>Current assets</b>			
Debtors	7	6,735	18,885
Cash at bank and in hand		<u>6,563</u> 13,298	<u>28,152</u> 47,037
<b>Creditors:</b>			
Amounts falling due within one year	8	(4,572)	(38,750)
<b>Net current assets</b>		<u>8,726</u>	<u>8,287</u>
<b>Total assets less current liabilities</b>		11,226	10,787
<b>Net assets</b>		<u>11,226</u>	<u>10,787</u>
<b>Capital and reserves</b>			
Called up share capital	9	1,000	1,000
Profit and loss account	10	10,226	9,787
<b>Total equity shareholders' funds</b>	11	<u>11,226</u>	<u>10,787</u>

The notes on pages 8 to 12 form an integral part of these financial statements.

The financial statements on pages 6 to 12 were approved by the Board of Directors on 22 July 2004 and were signed on its behalf by



A D Strang  
 Director  
 22 July 2004



**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**NOTES TO THE FINANCIAL STATEMENTS**

**1. Accounting policies**

The financial statements have been prepared in accordance with the applicable Accounting Standards in the United Kingdom. The cash flows of the Company are included in the consolidated cash flow statement of the Company's intermediate parent company, Zurich Financial Services (UKISA) Limited. Accordingly no separate cash flow statement for the Company has been produced.

The following is a summary of the Company's principal accounting policies:

**a) Accounting convention**

The financial statements are prepared under the historical cost convention.

**b) Consolidated financial statements**

The Company is exempt under section 228 of the Companies Act 1985 from preparing group accounts. The above financial statements and attached notes are therefore in respect of the Company only. The accounts of the Company are included in the consolidated accounts of Zurich Financial Services (UKISA) Limited.

**c) Turnover**

Turnover is stated net of VAT and any discounts.

**d) Value Added Tax**

Irrecoverable VAT is included with the expense on which it has been suffered.

**e) Investments**

- i. Profit on disposal of fixed asset investments is calculated as the difference between net sale proceeds and cost.
- ii. Investment income is the amount receivable for the year.
- iii. Investments are included in the balance sheet at original cost.

**2. Directors**

No Directors received any emoluments in respect of their services to the Company during the year (2002: £Nil).

**3. Income from fixed asset investment**

	2003 £	2002 £
Unlisted	11,599	13,714
	<hr/>	<hr/>

**4. Profit on ordinary activities before taxation**

Audit fees were borne by other group companies. No remuneration was paid to the Company's auditors in respect of non-audit services (2002: £Nil).

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**5. Taxation**

Taxation in the profit and loss account was as follows:

	2003 £	2002 £
United Kingdom taxation:		
<b>Current tax charge for the year</b>		
- UK corporation tax at 30%(2002: 30%) for the year	188	4,384
	<hr/>	<hr/>
<b>Tax on profit on ordinary activities</b>	188	4,384
	<hr/>	<hr/>

**Factors affecting the tax charge for the period**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2003 £	2002 £
Profit on ordinary activities before tax	627	14,611
Profit on ordinary activities multiplied by standard rate of corporate tax in the UK of 30% (2002: 30%)	188	4,384
	<hr/>	<hr/>
<b>Current tax charge for the period</b>	188	4,384
	<hr/>	<hr/>

**6. Fixed asset investment**

	2003 £	2002 £
<b>Cost</b>		
At 1 January and 31 December	2,500	2,500
	<hr/>	<hr/>

The Company contributed £2,500, being 0.5% of the capital of The Skelmersdale Limited Partnership, a property partnership registered in England & Wales.

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**7. Debtors**

	2003 £	2002 £
Amounts due from limited partnership	6,735	5,600
Amounts due from group company	-	13,285
	<hr/> 6,735 <hr/>	<hr/> 18,885 <hr/>

**8. Creditors: amounts falling due within one year**

	2003 £	2002 £
Amounts due to parent and fellow subsidiary undertakings	4,384	34,366
Corporation tax	188	4,384
	<hr/> 4,572 <hr/>	<hr/> 38,750 <hr/>

**9. Called up share capital**

	2003 £	2002 £
<b>Authorised</b>		
1,000 (2001: 1,000) ordinary shares of £1 each	<hr/> 1,000 <hr/>	<hr/> 1,000 <hr/>
<b>Allotted, called up and fully paid</b>		
1,000 (2001: 1,000) ordinary shares of £1 each	<hr/> 1,000 <hr/>	<hr/> 1,000 <hr/>

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**10. Movements in reserves**

	Profit and loss account 2003 £	Profit and loss account 2002 £
At 1 January	9,787	(440)
Retained profit for the year	439	10,227
	<hr/>	<hr/>
At 31 December	10,226	9,787
	<hr/>	<hr/>

**11. Reconciliation of movement in shareholders' funds**

	2003 £	2002 £
Movement on reserves	439	10,227
Opening shareholders' funds	10,787	560
	<hr/>	<hr/>
Closing shareholders' funds	11,226	10,787
	<hr/>	<hr/>

**12. Ultimate parent company**

The Company's ultimate parent company is Zurich Financial Services, which is incorporated in Switzerland. Copies of the consolidated financial statements of Zurich Financial Services can be obtained from Mythenquai 2, 8002 Zurich, Switzerland.

Eagle Star Holdings Limited is the parent company of the smallest group of companies, of which the Company is a wholly owned subsidiary, for which group accounts are drawn up. Copies of the consolidated financial statements of Eagle Star Holdings Limited can be obtained from The Secretary, Eagle Star Holdings Limited, 22 Arlington Street, London SW1A 1RW.

**13. Related party transactions**

Concourse Skelmersdale Limited is a general partner in a limited partnership arrangement of which 0.5% is held (note 6). Income of £11,599 (2002: £13,714) was receivable from the limited partnership of which £6,735 (2002: £5,600) remains outstanding at year end (note 7). There were no other transactions with the limited partnership.

In all other respects advantage has been taken of the exemption provided by FRS 8 from disclosing details of transactions with Zurich Financial Services and its subsidiaries.

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2003**

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**14. Material Transactions**

The directors of the Company and its key management had no material transactions with any related parties of the Zurich Financial Services Group. The term 'director and key management' includes members of their families.