

REGISTERED NO: 3302904

CONCOURSE SKELMERSDALE LIMITED



31 DECEMBER 2004

ANNUAL REPORT AND FINANCIAL STATEMENTS

Concourse Skelmersdale Limited
Report and Financial Statements for the Year Ended 31 December 2004

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Concourse Skelmersdale Limited
Report and Financial Statements for the Year Ended 31 December 2004

DIRECTORS

D Jordison
N A Pearce
A D Strang

SECRETARY AND REGISTERED OFFICE

A Kaye
60 St Mary Axe
London
EC3A 8JQ

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2004

The Directors present their report and the audited financial statements for Concourse Skelmersdale Limited for the year ended 31 December 2004.

Principal activities and business review

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.

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 (2003: £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 7 of the financial statements.

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:

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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.

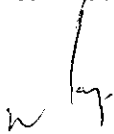
The directors are responsible for ensuring that the Company keeps sufficient accounting records to disclose with reasonable accuracy the financial position of the Company and to enable them to ensure that the financial statements comply with the United Kingdom Companies Act 1985.

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: 16 May 2005

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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.

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.

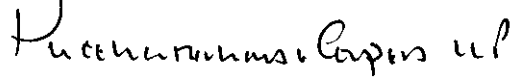
Basis of audit opinion

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 2004 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: 16 May 2005

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PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	2004 £	2003 £
Administrative expenses		(10,000)	(11,885)
Operating loss		<u>(10,000)</u>	<u>(11,885)</u>
Income from fixed asset investment	3	12,140	11,599
Interest receivable		281	913
Profit on ordinary activities before taxation	4	<u>2,421</u>	<u>627</u>
Tax on profit on ordinary activities	6	(726)	(188)
Profit for the financial year after taxation		<u>1,695</u>	<u>439</u>

The movements on reserves are set out in note 11.

All results are derived from continuing operations.

There is no difference between the profit on ordinary activities 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.

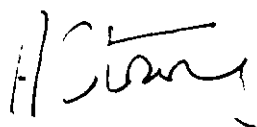
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BALANCE SHEET
AS AT 31st DECEMBER 2004

	Notes	2004 £	2003 £
Fixed assets			
Investments	7	<u>2,500</u> 2,500	<u>2,500</u> 2,500
Current assets			
Debtors	8	18,876	6,735
Cash at bank and in hand		<u>6,843</u>	<u>6,563</u>
		25,719	13,298
Creditors:			
Amounts falling due within one year	9	(15,298)	(4,572)
Net current assets		<u>10,421</u>	<u>8,726</u>
Total assets less current liabilities		12,921	11,226
Net assets		<u>12,921</u>	<u>11,226</u>
Capital and reserves			
Called up share capital	10	1,000	1,000
Profit and loss account	11	11,921	10,226
Total equity shareholder's funds	12	<u>12,921</u>	<u>11,226</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 /6 May 2005 and were signed on its behalf by:



A D Strang
 Director
 /6 May 2005

Concourse Skelmersdale Limited
Report and Financial Statements for the Year Ended 31 December 2004

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 Company qualifies as exempt from the requirement to produce a cash flow statement under Financial Reporting Standard 1 (Revised). It is a subsidiary undertaking of Zurich Financial Services, which prepares a consolidated cash flow statement.

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 (2003: £Nil).

3. Income from fixed asset investment

	2004 £	2003 £
Unlisted	12,140	11,599
	<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 (2003: £Nil).

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Report and Financial Statements for the Year Ended 31 December 2004

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. Interest receivable

	2004	2003
	£	£
Bank interest	281	913

6. Taxation

Taxation in the profit and loss account was as follows:

	2004	2003
	£	£
United Kingdom taxation:		
Current tax charge for the year		
- UK corporation tax at 30%(2003: 30%) for the year	726	188
Tax on profit on ordinary activities	726	188

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:

	2004	2003
	£	£
Profit on ordinary activities before tax	2,421	627
Profit on ordinary activities multiplied by standard rate of corporate tax in the UK of 30% (2003: 30%)	726	188
Current tax charge for the period	726	188

7. Fixed asset investment

	2004	2003
	£	£
Cost		
At 1 January and 31 December	2,500	2,500

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. Debtors

	2004 £	2003 £
Amounts due from limited partnership	9,676	6,735
Amounts due from group company	9,200	-
	<hr/> 18,876	<hr/> 6,735

9. Creditors: amounts falling due within one year

	2004 £	2003 £
Amounts due to parent and fellow subsidiary undertakings	4,572	4,384
Corporation tax	726	188
Accruals	10,000	-
	<hr/> 15,298	<hr/> 4,572

10. Called up share capital

	2004 £	2003 £
Authorised		
1,000 (2003: 1,000) ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
1,000 (2003: 1,000) ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. Movements in reserves

	Profit and loss account 2004 £	Profit and loss account 2003 £
At 1 January	10,226	9,787
Retained profit for the year	1,695	439
	<hr/>	<hr/>
At 31 December	11,921	10,226
	<hr/>	<hr/>

12. Reconciliation of movement in shareholder's funds

	2004 £	2003 £
Movement on reserves	1,695	439
Opening shareholder's funds	11,226	10,787
	<hr/>	<hr/>
Closing shareholder's funds	12,921	11,226
	<hr/>	<hr/>

13. 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.

Zurich Financial Services (UKISA) 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 statement of Zurich Financial Services (UKISA) Limited can be obtained from: The Secretary, Zurich Financial Services (UKISA) Limited, UK Life Centre, Station Road, Swindon SN1 1EL.

14. Related party transactions

Concourse Skelmersdale Limited is a general partner in a limited partnership arrangement of which 0.5% is held (note 7). Income of £12,140 (2003: £11,599) was receivable from the limited partnership of which £9,676 (2003: £6,735) remains outstanding at year end (note 8). 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.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. 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.