

Registered No. 3423192

EGG NOMINEES LIMITED

Annual Report and Accounts 2000



EGG NOMINEES LIMITED

Incorporated and registered in England and Wales.
Registered office: 142 Holborn Bars, London EC1N 2NH.

Annual report and accounts 2000

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EGG NOMINEES LIMITED

Company Information

Directors

S L Cartwright
P R Gratton
M J Harris

Secretary

J T G Butler

Auditors

KPMG Audit Plc

EGG NOMINEES LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2000

Principal activity

The Company commenced trading on 31 January 2000. The principal activity of the Company is to serve as a "nominee company" through which all the investment transactions of the fellow subsidiary Egg Investments Limited (which will provide investments via a web-based supermarket) will pass.

On 1 January 2000 the shares in the Company were transferred from Prudential Banking plc to Egg plc at cost.

On 12 June 2000 the Company's ultimate parent company Prudential plc completed an initial public offering (IPO) of a minority stake in the immediate parent company Egg plc, which resulted in proceeds of approximately £150 million for the parent company, and consequently Egg plc is now listed on the London Stock Exchange.

Year 2000

The Company's operations completed their extensive testing and rectification programmes well in advance of 1 January 2000. No material impacts arose from the date change. The Company continues to monitor its own internal systems and processes as well as those which impact on customers and suppliers in order to identify any year 2000 related problems, should they occur.

Accounts and dividends

The state of affairs of the Company at 31 December 2000 is shown in the balance sheet on page 6. The profit and loss is shown on page 5.

The directors do not recommend payment of a dividend.

Directors

The present directors of the Company are shown on page 2.

Appointments

Mrs S L Cartwright
Mr P R Gratton
Mr M J Harris

Date

20 December 2000
20 December 2000
20 December 2000

Resignations

Ms A J Benton
A G Milne
J A Casey
W R Jones

Date

31 October 2000
13 December 2000
21 December 2000
21 December 2000

EGG NOMINEES LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2000 (continued)

Responsibilities of the directors

The directors have a duty to report to shareholders on the performance and financial position of the Company and are responsible for preparing the accounts on pages 5 to 8.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the results for the period and which comply with the Companies Act 1985. In preparing those statements the directors ensure that suitable accounting policies are selected and applied consistently, that reasonable and prudent judgements and estimates are made and that applicable accounting standards are followed. They also ensure that appropriate accounting records are maintained for the preparation of those statements and that reasonable steps are taken to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Directors' interests

The interests of all the directors, who were also directors at the end of the year of the parent company, Egg plc, are shown in the annual report and accounts of that company.

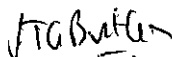
Auditors

During 2000 PricewaterhouseCoopers resigned as auditors of the Company and the Group and the directors appointed KPMG Audit Plc to fill the casual vacancy thus arising. A resolution for the re-appointment of KPMG Audit Plc will be put to the Annual General Meeting. Special notice of this resolution has been given to the Company in accordance with Section 388(3) of the Companies Act 1985


Going Concern

The Board has satisfied itself that the Group has adequate resources to continue in operation for the foreseeable future. The Group's financial statements have accordingly been prepared on a going concern basis.

By order of the Board



J T G Butler
Secretary

 October 2001

EGG NOMINEES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2000

	Note	2000 £	1999 £
Interest receivable		97	-
Operating profit		<u>97</u>	<u>-</u>
Administrative expenses - float units		(14,804)	-
(Loss) on ordinary activities before tax		<u>(14,707)</u>	<u>-</u>
Taxation	2	-	-
Profit/(Loss) retained for the financial year		<u>(14,707)</u>	<u>-</u>

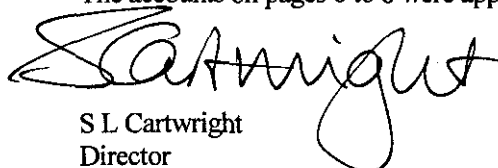
The Company has no other recognised gains or losses in the year ended 31 December 2000, apart from those reflected in the above profit and loss account.

EGG NOMINEES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2000

	Note	2000 £	1999 £
Current Assets			
Cash at bank and in hand		5,294	-
Net current assets		<u>5,294</u>	<u>-</u>
Total assets less current liabilities		<u>5,294</u>	<u>-</u>
 Capital and Reserves			
Called up share capital	4	20,001	-
Profit and loss account	5	(14,707)	-
Total Shareholders' Funds (all attributable to equity interests)	6	<u>5,294</u>	<u>-</u>

The accounts on pages 6 to 8 were approved by the board of directors on 4 October 2001.


S L Cartwright
Director

EGG NOMINEES LIMITED

NOTES TO THE ACCOUNTS

1. Accounting Policies

- a) The financial statements have been prepared on the historical cost basis of accounting and in accordance with applicable accounting standards in the United Kingdom. The Company is a wholly owned subsidiary of Egg plc. As such it has taken account of the exemption not to prepare a cash flow statement (FRS 1 revised), as a consolidated cash statement including the cash flows of the Company is shown in the financial statements of Egg plc.
- b) Float unit purchases are all expensed to the profit and loss.

2. Taxation

A taxation recovery had not been accrued in the accounts of the Company, as it is not entirely certain Group relief will be available on the loss.

3. Administrative expenses

The statutory audit fee was borne by the immediate parent company during the year. The Company has no employees.

4. Called up share capital

	2000 Value £	2000 Number	1999 Value £	1999 Number
Ordinary Shares of £1 each:				
Authorised	1,000,000	1,000,000	100	100
Issued and fully paid	<u>20,001</u>	<u>20,001</u>	<u>1</u>	<u>1</u>

The increase in share capital during the year was to provide sufficient capital for the operation of the Company.

EGG NOMINEES LIMITED

NOTES TO THE ACCOUNTS

5. Reserves

	2000 £	1999 £
Profit and loss account		
At the beginning of the year	-	-
Retained loss for the financial year	(14,707)	-
At the end of the year	<u>(14,707)</u>	<u>-</u>

6. Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Shareholders' funds at the beginning of the year	-	-
Net proceeds of issue of shares	20,001	-
Deficit for the financial year	(14,707)	-
Shareholders' funds at the end of the year	<u>5,294</u>	<u>-</u>

7. Directors' emoluments

None of the directors received any emoluments from the Company during the year. All of the directors were remunerated by Egg plc, and their remuneration is shown in the directors' report of that company.

8. Immediate and ultimate parent company

The immediate parent company is Egg plc, which prepares group accounts. Copies of these can be obtained from the Company Secretary, 1 Waterhouse Square, 142 Holborn Bars, London EC1N 2ST.

The ultimate parent company and controlling party is Prudential plc which also prepares accounts. Copies of these accounts can be obtained from the Company Secretary, Laurence Pountney Hill, London, EC4R OHH.

EGG NOMINEES LIMITED

Auditor's report to the members of Egg Nominees Limited

We have audited the financial statements on pages 5 to 8.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 4, 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 December 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc /

KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

25 October 2001