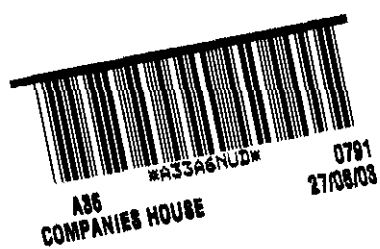


Company Registration No. 3453983 (England and Wales)

CAPSTAN NORTHERN LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002



CAPSTAN NORTHERN LIMITED

COMPANY INFORMATION

Directors

P R M Pindar

G M Hurst

J W Peel

(Appointed 12 March 2003)

Secretary

T M Fontana

Company number

3453983

Registered office

The Registry, 34 Beckenham Road

Beckenham

Kent

BR3 4TU

CAPSTAN NORTHERN LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2002

The directors present their report and financial statements for the year ended 31 December 2002.

Principal activity and review of the business

The company was dormant and did not trade during the period. As a result a profit and loss account has not been prepared.

Directors

The following directors have held office since 1 January 2002:

P R M Pindar

G M Hurst

J W Peel

(Appointed 12 March 2003)

Mr Pindar and Mr Hurst were directors of the ultimate parent undertaking and details of their interests are included in the accounts of that company.

Mr Peel had no interest in the share capital of the company or any other group company with the exception of interests in options under the share option scheme of the ultimate parent undertaking, The Capita Group Plc, as follows. At 1 January 2002, Mr Peel had interests in options over 300,000 shares; during the year he was granted a further 110,000 options giving him a total of 410,000 at 31 December 2002.

Auditors

It was reported that, as the company is dormant and meets the other requirements of section 250 of the Companies Act 1985, it is entitled to exemption from the obligation to appoint auditors. The following special resolution was proposed and passed, "that no auditors be appointed by the company".

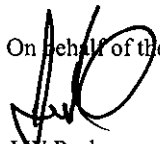
Directors' responsibilities

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 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, 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.

On behalf of the board



J W Peel

Director

25 August 2003

CAPSTAN NORTHERN LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2002

	Notes	2002 £	2001 £
Current assets			
Debtors	2	133,445	133,445
Total assets less current liabilities		<u>133,445</u>	<u>133,445</u>
Capital and reserves			
Called up share capital	3	1,000	1,000
Profit and loss account	4	132,445	132,445
Shareholders' funds - equity interests		<u>133,445</u>	<u>133,445</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by section 249AA(1) of the Companies Act 1985;
- (b) No notice has been deposited under section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
 - (ii) preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The company was dormant (within the meaning of section 250 of the Companies Act 1985) throughout the year ended 31 December 2002.

The financial statements were approved by the Board on 25 August 2003



J W Peel

Director

CAPSTAN NORTHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with accounting standards applicable in the United Kingdom.

During the year the company has adopted FRS19 'Deferred Taxation', this has not necessitated a restatement of figures.

The company continues to comply with FRS18 'Accounting Policies', which is concerned with the selection, application and disclosure of accounting policies in the financial statements.

2 Debtors	2002 £	2001 £
Amounts owed by parent and fellow subsidiary undertakings	133,445	133,445

3 Share capital	2002 £	2001 £
Authorised		
1,000 Ordinary shares of £ 1 each	1,000	1,000
Allotted, called up and fully paid		
1,000 Ordinary shares of £ 1 each	1,000	1,000

4 Statement of movements on profit and loss account

Profit and loss account

	£
Balance at 1 January 2002	132,445
Balance at 31 December 2002	132,445

5 Employees

Number of employees

There were no employees during the year apart from the directors.

CAPSTAN NORTHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2002***

6 Control

The company's immediate parent undertaking is Capita Business Services Limited, a company incorporated in England and Wales.

The company's ultimate parent undertaking is The Capita Group Plc, a company incorporated in England and Wales. The accounts of The Capita Group Plc are available from the registered office at 71 Victoria Street, London SW1H 0XA.