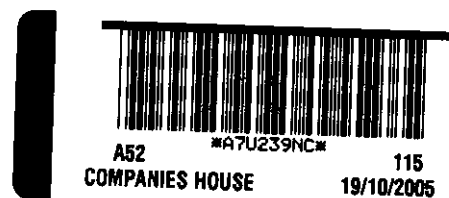


**FIRST ACTIVE COMMERCIAL LIMITED**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

**Registered Number: 3525975**



**FIRST ACTIVE COMMERCIAL LIMITED**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

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**FIRST ACTIVE COMMERCIAL LIMITED**

**DIRECTORS AND OTHER INFORMATION**

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**DIRECTORS**

R. Baker  
R. Bergin  
J. Fairrie  
C. Holmes  
M. McDermott  
SPV Management Limited  
M. Torpey

**REGISTERED OFFICE**

c/o SPV Management Limited  
Tower 42  
International Financial Centre  
25 Old Broad Street  
London  
EC2N 1HQ

**SECRETARY**

M. Mullen

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

**BANKERS**

National Westminster Bank plc  
City of London Office  
PO Box 12258  
1 Prince's Street  
London  
EC2R 8PA

**SOLICITORS**

Arthur Cox  
Arthur Cox Building  
Earlsfort Centre  
Earlsfort Terrace  
Dublin 2

# **FIRST ACTIVE COMMERCIAL LIMITED**

## **DIRECTORS' REPORT**

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The directors have pleasure in submitting their report, together with the audited financial statements, for the year ended 31 December 2004.

### **PRINCIPAL ACTIVITY, BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The principle activity of the company is the provision of financial services. The directors are satisfied with the company's performance during the year and it is the intention of the directors that the company will continue its current activities.

### **RESULTS AND DIVIDENDS**

The profit for the year after taxation was £1,138,579 (2003: £879,452) which was transferred to reserves. The directors do not recommend the payment of a dividend.

### **EVENTS SINCE THE YEAR END**

The directors consider the state of affairs of the company to be satisfactory and there has been no material change since the balance sheet date.

### **DIRECTORS AND SECRETARY**

The directors and secretary who held office during the year under review and at any time after the year end were:

R. Baker  
R. Bergin  
J. Fairrie  
C. Holmes  
M. McDermott  
SPV Management Limited  
M. Torpey

M. Mullen (Secretary)

In accordance with the Articles of Association the directors do not retire by rotation.

### **BOOKS OF ACCOUNT**

To ensure that proper books and accounting records are kept in accordance with Section 202 of the Companies Act, 1990, the directors have ensured that appropriately qualified accounting personnel are employed and that appropriate computerised accounting systems are maintained.

## FIRST ACTIVE COMMERCIAL LIMITED

### DIRECTORS' REPORT (CONTINUED)

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#### INTERESTS OF DIRECTORS AND SECRETARY

According to the Register of Directors' Interests, no director had any interest in the share capital of, or contracts with, the company at any time during the year. In relation to other directors' interests the company has relied on Statutory Instrument 85/802, The Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985, in disclosing directors' interests.

#### ELECTIVE RESOLUTION

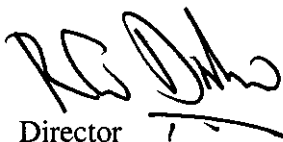
At a meeting of the company held on 19 January 1999, Elective Resolutions were passed, pursuant to section 379A of the Companies Act 1985 (the "Act"), that:

- a) pursuant to Section 252 of the Act, the company dispenses with the laying of accounts and reports before the company in General Meeting; and
- b) pursuant to Section 366A of the Act, the company dispenses with the Annual General Meetings.

#### AUDITORS

Deloitte & Touche, Chartered Accountants, were appointed as auditors during the year and have expressed their willingness to continue in office in accordance with the Companies Act 1985.

Signed on behalf of the Board:

  
Director

  
Director

Date: 10 August, 2005

## FIRST ACTIVE COMMERCIAL LIMITED

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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United Kingdom 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 the 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors have responsibility for ensuring that proper accounting records are kept, which disclose with reasonable accuracy at any time the financial position of the company, and which enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in the United Kingdom and comply with the Companies Act 1985. The directors have responsibility for taking reasonable steps to safeguard the company's assets and to prevent and detect fraud and other irregularities.

Signed on behalf of the Board:

  
Director

  
Director

Date: 10 August, 2005

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRST ACTIVE COMMERCIAL LIMITED**

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We have audited the financial statements of First Active Commercial Limited for the year ended 31 December 2004 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out in the Statement of Accounting Policies.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 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.

We read the Directors' Report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
FIRST ACTIVE COMMERCIAL LIMITED (CONTINUED)**

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**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as 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.

*DeLalle & Tache*

Chartered Accountants and Registered Auditors

Date:

*7/9/05*



## **FIRST ACTIVE COMMERCIAL LIMITED**

### **STATEMENT OF ACCOUNTING POLICIES**

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The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

#### **BASIS OF PREPARATION AND ACCOUNTING CONVENTION**

The company prepares its financial statements denominated in Sterling on the historical cost basis of accounting. The financial statements have been prepared in accordance with accounting standards generally accepted in the United Kingdom and United Kingdom statute comprising the Companies Act, 1985.

#### **CASH FLOW STATEMENT**

The company is a wholly owned subsidiary of The Royal Bank of Scotland plc and the cash flow of the company is included in the consolidated Group cash flow statement of The Royal Bank of Scotland Group plc. Consequently, the company is exempt under the terms of Financial Reporting Standard No. 1 from publishing a cash flow statement.

#### **INTEREST RECEIVABLE, INTEREST PAYABLE AND INCOME FROM FINANCIAL ASSETS**

Interest receivable, interest payable and income from financial assets are recognised on an accruals basis.

#### **CURRENCY USED IN THE FINANCIAL STATEMENTS**

The financial statements are prepared and expressed in Sterling, denoted by the symbol "GBP".

#### **EQUITY SHARES**

Equity shares are held for investment purposes and are included in the balance sheet at cost (less any provision for permanent impairment). Any profit or loss on disposal is taken to the profit and loss account as realised.

#### **GROUP FINANCIAL STATEMENTS**

The financial statements of the company and its subsidiaries are included in the Group financial statements of First Active plc. The company has availed of the exemption from the obligation to prepare group financial statements contained in section 248 of the Companies Act, 1985. This applies to qualifying subsidiaries of a parent undertaking, which itself publishes group financial statements.

#### **RELATED PARTY TRANSACTIONS**

The company has availed of the exemption in Financial Reporting Standard No. 8, "Related Party Disclosures", which permits qualifying subsidiaries of an undertaking not to disclose details of transactions between group companies that are eliminated on consolidation.

**FIRST ACTIVE COMMERCIAL LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

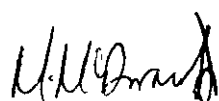
|   | Notes | 2004<br>GBP | 2003<br>GBP |
|---|-------|-------------|-------------|
| Interest receivable and similar income                  | 1     | 1,626,541   | 1,256,360   |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>    |       | 1,626,541   | 1,256,360   |
| Taxation  | 2     | (487,962)   | (376,908)   |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>AFTER TAXATION</b> |       | 1,138,579   | 879,452     |
| Retained profit at start of year                        |       | 36,178,646  | 35,299,194  |
| Retained profit at end of year                          |       | 37,317,225  | 36,178,646  |

The company's operations were all regarded as continuing at the year end.

There were no recognised gains or losses in the financial year or the preceding financial year other than those shown in the profit and loss account. All gains and losses are derived from continuing operations.

The notes 1 to 10 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 10 August, 2005 and signed on its behalf by:

  
Director

  
Director

# FIRST ACTIVE COMMERCIAL LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2004

|  | Notes | 2004<br>GBP       | 2003<br>GBP       |
|--|-------|-------------------|-------------------|
| <b>FIXED ASSETS</b>  |       |                   |                   |
| Financial assets   | 3     | 3                 | 3                 |
| <b>CURRENT ASSETS</b>  |       |                   |                   |
| Debtors  | 4     | 38,677,649        | 37,051,108        |
| <b>CREDITORS:</b> (Amounts falling due after more than one year) | 5     | (1,360,425)       | (872,463)         |
| <b>NET ASSETS</b>  |       | <u>37,317,227</u> | <u>36,178,648</u> |
| <b>CAPITAL AND RESERVES</b>                                      |       |                   |                   |
| Called-up share capital  | 6     | 2                 | 2                 |
| Profit and loss account  |       | 37,317,225        | 36,178,646        |
| <b>SHAREHOLDERS' FUNDS - ALL EQUITY</b>                          | 7     | <u>37,317,227</u> | <u>36,178,648</u> |

The notes 1 to 10 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 10 August, 2005 and signed on its behalf by:

  
Director

  
Director

**FIRST ACTIVE COMMERCIAL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

| 1. INTEREST RECEIVABLE AND SIMILAR INCOME                   | 2004<br>GBP | 2003<br>GBP |
|---|-------------|-------------|
| Interest receivable on amounts due from fellow subsidiaries | 1,626,541   | 1,256,360   |

| 2. TAXATION CHARGE ON PROFIT ON ORDINARY ACTIVITIES                      | 2004<br>GBP | 2003<br>GBP |
|--|-------------|-------------|
| Corporation tax charge on the profit for the year on ordinary activities | 487,962     | 376,908     |

The standard rate of corporation tax for the year is 30%. The accrued taxation for the current year is at the standard rate for the reasons set out below:

|   | 2004<br>GBP | 2003<br>GBP |
|---|-------------|-------------|
| Profit on ordinary activities before tax  | 1,626,541   | 1,256,360   |
| Taxation charge on profit on ordinary activities at the standard rate of corporation tax in the UK of 30% | 487,962     | 376,908     |
| Total actual amount of current taxation   | 487,962     | 376,908     |

| 3. FINANCIAL ASSETS         | 2004<br>GBP | 2003<br>GBP |
|-----------------------------|-------------|-------------|
| Shares in fellow subsidiary | 3           | 3           |
| At 31 December              | 3           | 3           |

The share in fellow subsidiary is a 100% holding in the ordinary share capital of firstactive.com Limited. The principal activity of firstactive.com Limited is internet services. firstactive.com Limited is incorporated in the United Kingdom.

**FIRST ACTIVE COMMERCIAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)**

|   |                    |                    |
|---|--------------------|--------------------|
| <b>4. DEBTORS:</b> (Amounts falling due after more than one year) | 2004<br>GBP        | 2003<br>GBP        |
| Amount due from fellow subsidiaries                               | 38,677,649         | 37,051,108         |
|   | <u>38,677,649</u>  | <u>37,051,108</u>  |
| <b>5. CREDITORS:</b> (Amounts falling due within one year)        | 2004<br>GBP        | 2003<br>GBP        |
| Amount owed to parent undertaking                                 | 376,908            | 376,908            |
| Amount owed to fellow subsidiary                                  | 495,555            | 495,555            |
| Corporation tax provision for current year charge                 | 487,962            | -                  |
|   | <u>1,360,425</u>   | <u>872,463</u>     |
|   | <u>1,360,425</u>   | <u>872,463</u>     |
| <b>6. CALLED-UP SHARE CAPITAL</b>                                 | 2004<br>GBP        | 2003<br>GBP        |
| <i>Authorised share capital</i>                                   |                    |                    |
| 100,000,000 ordinary shares of GBP1 each                          | 100,000,000        | 100,000,000        |
|   | <u>100,000,000</u> | <u>100,000,000</u> |
| <i>Allotted, called-up and fully paid</i>                         |                    |                    |
| 2 ordinary shares of GBP1 each                                    | 2                  | 2                  |
|   | <u>2</u>           | <u>2</u>           |
|   | <u>2</u>           | <u>2</u>           |
| <b>7. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS</b>       | 2004<br>GBP        | 2003<br>GBP        |
| Total recognised gains and losses for the year                    | 1,138,579          | 879,452            |
|   | <u>1,138,579</u>   | <u>879,452</u>     |
| Net increase in shareholders' funds                               | 1,138,579          | 879,452            |
| Opening shareholders' funds                                       | 36,178,648         | 35,299,196         |
|   | <u>36,178,648</u>  | <u>35,299,196</u>  |
| Closing shareholders' funds                                       | 37,317,227         | 36,178,648         |
|   | <u>37,317,227</u>  | <u>36,178,648</u>  |

**FIRST ACTIVE COMMERCIAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2004**

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**9. DIRECTORS' INTERESTS IN SHARES**

**(a) Interests in shares of the company**

According to the Register of Directors' Interests, no director had any interest in the issued share capital of the company.

**(b) Interests in shares of The Royal Bank of Scotland Group plc, the ultimate parent undertaking of the company**

The company has relied on Statutory Instrument 85/802 The Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985 in disclosing directors' interests.

**10. HOLDING COMPANIES**

The smallest and largest groups in which the financial statements of the company are consolidated are First Active plc (incorporated in the Republic of Ireland) and The Royal Bank of Scotland Group plc (incorporated in Great Britain), respectively. The financial statements of First Active plc are available to the public and may be obtained from the Secretary, First Active plc, First Active House, Central Park, Leopardstown, Dublin 18.