

Registered Number 3612004

**NEWGATE STREET PROPERTIES LIMITED**

**Directors' Report and Financial Statements**

**for the year ended 31 December 2005**



Registered Office: 5 Old Broad Street, London, EC2N 1AD

## **NEWGATE STREET PROPERTIES LIMITED**

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### **DIRECTORS**

S. P. Smith (Chairman)

H. D. Stephens

S. R. Yates

### **SECRETARY**

J. P. Small

### **INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP

# NEWGATE STREET PROPERTIES LIMITED

## DIRECTORS' REPORT

The directors have pleasure in submitting their report together with the audited financial statements for the year ended 31 December 2005.

### REVIEW OF ACTIVITIES

The Company acts as general partner to The Newgate Street Partnership ("the Partnership").

During the current and preceding financial years, the Company received no income and incurred no expenditure. Consequently the Company made neither a profit nor a loss.

### DIRECTORS

The directors of the Company at the date of this report are shown on page 1.

The directors listed served throughout the year.

### DIRECTORS' INTERESTS

According to the register of directors' interests, the interests of directors in the share capital and debentures of the Company, its ultimate holding company (AXA) or subsidiaries of the ultimate holding company are as follows:

#### Interests in Shares and Units

##### AXA

Shares of €2.29 each

	At 1 January 2005	At 31 December 2005
S. P. Smith	840	-
S. R. Yates	644	364

##### AXA

	Units in AXA Global Fund		Units in AXA Actionnariat II Fund	
	At 1 January 2005	At 31 December 2005	At 1 January 2005	At 31 December 2005
S. P. Smith	714.1741	654.0216	290.0621	1,513.9744
H. D. Stephens	385.1234	350.3686	-	201.3300
S. R. Yates	581.1065	554.5325	-	-

# NEWGATE STREET PROPERTIES LIMITED

## DIRECTORS' REPORT (CONTINUED)

### DIRECTORS' INTERESTS (continued)

#### Interests in Options

	AXA			
	At 1 January 2005	During Year		At 31 December 2005
	Options to subscribe for Shares	Options granted	Options exercised	Options to subscribe for Shares
S. P. Smith	12,940	-	-	12,940
H. D. Stephens	1,507	-	-	1,507

The options outstanding at 31 December 2005 are exercisable at various times between 1 January 2006 and 26 February 2012 at prices between €20.88 and €40.86 per share.

	AXA UK plc		
	At 1 January 2005	During Year	
	Options to subscribe for Shares	Options exercised	Options to subscribe for Shares
H. D. Stephens	1,243	-	1,243

	AXA Real Estate Investment Managers SA			
	At 1 January 2005	During Year		At 31 December 2005
	Options to subscribe for Shares	Options exercised	Options lapsed	Options to subscribe for Shares
S. P. Smith	124	124	-	-
H. D. Stephens	24	24	-	-

Save as stated above, none of the directors at 31 December 2005 had interests in the share capital of the Company, its ultimate holding company (AXA) or subsidiaries of the ultimate holding company.

# NEWGATE STREET PROPERTIES LIMITED

## DIRECTORS' REPORT (CONTINUED)

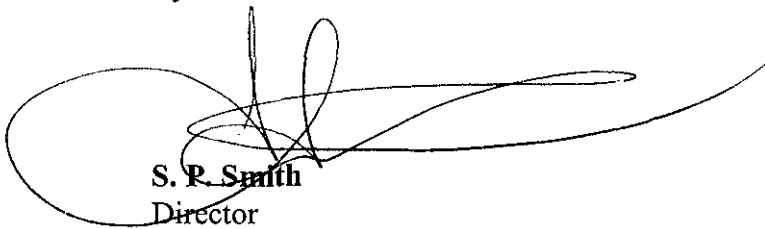
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### INDEPENDENT AUDITORS

Under Section 379A of the Companies Act 1985, the Company has elected to dispense with the following obligations:

- to lay accounts and reports before general meetings;
- to hold annual general meetings; and
- to appoint auditors annually.

By Order of the Board



**S. P. Smith**  
Director

20 October 2006

## **NEWGATE STREET PROPERTIES LIMITED**

### **DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

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Company law requires the directors to prepare financial statements for each financial year, that 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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.

## **NEWGATE STREET PROPERTIES LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEWGATE STREET PROPERTIES LIMITED**

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We have audited the financial statements of Newgate Street Properties Limited for the year ended 31 December 2005 which comprise the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### **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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). 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 other transactions is not disclosed.

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

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

**NEWGATE STREET PROPERTIES LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEWGATE  
STREET PROPERTIES LIMITED (CONTINUED)**

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**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2005 and
- have been properly prepared in accordance with the Companies Act 1985.



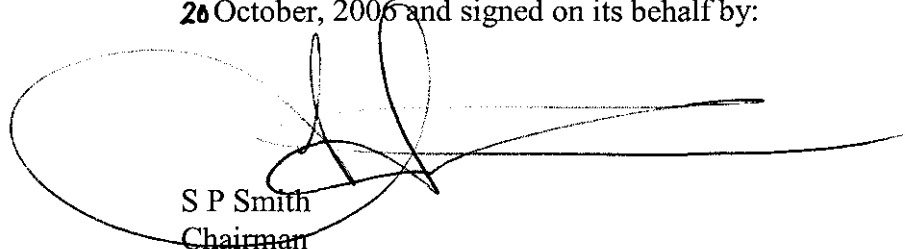
**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**London**  
**20 October, 2006**

# NEWGATE STREET PROPERTIES LIMITED

## BALANCE SHEET as at 31 December 2005

	Note	2005 £	2004 £
<b>Fixed assets</b>			
Investment	4	<u>1</u>	<u>1</u>
<b>Current assets</b>			
Debtors	5	18	18
<b>Creditors: amounts falling due within one year</b>	6	<u>(5)</u>	<u>(5)</u>
<b>Net current assets</b>		<u>13</u>	<u>13</u>
<b>Total assets less current liabilities</b>		<u>14</u>	<u>14</u>
<b>Capital and reserves</b>			
Called up share capital	7	2	2
Profit and loss account		<u>12</u>	<u>12</u>
<b>Equity shareholder's funds</b>		<u>14</u>	<u>14</u>

The financial statements on pages 8 to 11 were approved by the Board of directors on 26 October, 2006 and signed on its behalf by:



S P Smith  
Chairman

The notes on pages 9 to 11 form an integral part of these financial statements.

# NEWGATE STREET PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

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### 1. ACCOUNTING POLICIES

The principal accounting policies are set out below. The policies remain unchanged from the previous year.

#### (a) Basis of accounting

The financial statements are prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

The directors have reviewed the Company's existing accounting policies and consider them to be appropriate and in accordance with the objectives of Financial Reporting Standard 18 "Accounting Policies" which are relevance, reliability, comparability and understandability.

#### (b) Cash flow statement

Under Financial Reporting Standard 1 "Cash Flow Statements" (Revised 1996), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a subsidiary undertaking of a parent undertaking which produces a consolidated cash flow statement. The cash flow of the Company is consolidated in the AXA group financial statements, which can be obtained from 23, avenue Matignon, 75008 Paris, France.

### 2. PROFIT AND LOSS

During the current financial year and the preceding financial year, the Company acted as General Partner to The Newgate Street Partnership and managed its activities during the period. However, during 2005 and 2004 the Company received no income and incurred no expenditure. Consequently during those years the Company made neither a profit nor a loss and has not prepared a profit and loss account.

The audit fee of £1,351 inclusive of VAT (2004: £823 inclusive of VAT) will be paid directly by the Limited Partners of The Newgate Street Partnership.

### 3. TAXATION

The Company made neither a profit nor a loss in the year (2004: £nil), consequently no provision for taxation has been made (2004: £nil).

# NEWGATE STREET PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4. INVESTMENTS

The investment represents the Company's investment in the Newgate Street Partnership valued at cost.

The Company has an interest in the profits of The Newgate Street Partnership of 0.0001%. The Partnership was involved in the development and sale of a property.

The Partnership prepares financial statements on an annual basis. The Partners' accounts at 31 December 2005 were as follows:

	2005 £	2004 £
<b>Company's interest in the Partnership</b>		
Capital contribution	1	1
Capital account	17	17
	<u>18</u>	<u>18</u>
<b>Other Partners' interest in the Partnership</b>		
Loans	(11,658,587)	(11,260,578)
Income account	(3,500)	(3,502)
Capital account	47,786	-
Capital Contribution	11,614,286	11,614,286
	<u>(15)</u>	<u>350,206</u>
<b>Total Partnership interests</b>	<u>3</u>	<u>350,224</u>

### 5. DEBTORS

	2005 £	2004 £
Amount due from the Partnership	16	16
Amounts due from group undertakings	2	2
	<u>18</u>	<u>18</u>

### 6. CREDITORS, AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £	2004 £
Amounts due to group undertakings	5	5

# NEWGATE STREET PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 7. SHARE CAPITAL

	2005		2004	
	Authorised £	Paid-up £	Authorised £	Paid-up £
<b>Authorised:</b>				
1,000 ordinary shares of £1 each	<u>1,000</u>		<u>1,000</u>	
<b>Issued:</b>				
2 ordinary shares of £1 each, not paid		<u>2</u>		<u>2</u>

### 8. OTHER STATUTORY INFORMATION

The average number of employees of the Company during the period was nil (2004:nil).

All the directors are employed and paid by companies in the AXA group and their directorships are held as part of that employment. No director has received any emoluments or other benefits from the Company or from any other company in AXA group in respect of services to the Company.

### 9. RELATED PARTIES

The Company is the General Partner to The Newgate Street Partnership. During both 2005 and 2004, the Company managed the activities of this related party. Although the Partnership is a subsidiary undertaking of the Company, the Company has not consolidated due to severe long term restrictions which are in place over the ability of the Company to exercise control over the Partnership.

As the Company is a wholly-owned subsidiary it has taken advantage of the exemption granted under Financial Reporting Standard 8 "Related Party Disclosures" where subsidiary undertakings do not have to disclose transactions with Group Companies qualifying as related parties provided that consolidated financial statements are publicly available.

There were no transactions with any other related parties during the year.

### 10. ULTIMATE AND IMMEDIATE PARENT COMPANIES

The Company is a subsidiary of Sun Life Assurance Society Plc, a company incorporated in Great Britain and registered in England and Wales.

In the opinion of the directors, the Company's ultimate parent and controlling company is AXA, a company incorporated in France. The parent undertaking of the largest and smallest group which includes the Company and for which group financial statements are prepared is AXA. Copies of the group financial statements of AXA can be obtained from 23, avenue Matignon, 75008 Paris, France.