

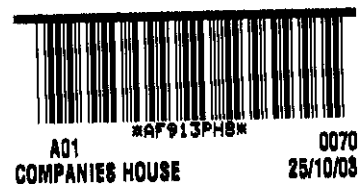
# **SELESTIA NOMINEE LIMITED**

## **Annual report and financial statements**

For the year ended

31 December 2002

Registered number 4145834



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## Report of the directors for the year ended 31 December 2002

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

### Principal activities

The principal activities of the company is to carry on the office of nominee, trustee, custodian or other, required in the transacting of trust or agency business as part of the UK Life and IFA companies in the Selestia Holdings Group. The company is a wholly owned subsidiary of Selestia Investments Limited.

### Results and Dividends

The company has acted as nominee during the year. The company has not incurred any expenses nor earned any revenues during the current and prior period and, as a consequence, the company has made neither a profit nor a loss. A profit and loss account has not, therefore, been prepared. The state of affairs of the company as at the period end were as detailed in the accompanying balance sheet.

No dividends were declared or paid by the company during the period and the Directors do not recommend the declaration of a dividend in respect of the period.

### Directors and directors' interests

The directors of the company at the date of this report are:

	Date of appointment	Date of resignation
MJLM Hawes	8 March 2001	9 May 2002
BSP Williams	8 March 2001	
HB Donnelly	1 October 2001	21 January 2003
DA Hazelton	1 October 2001	10 March 2003
J Tomlins	1 October 2001	
WG Vasilieff	1 October 2001	
MP Williams	1 October 2001	
EW Warner	12 December 2001	1 February 2003
GF Keeys	12 December 2001	
TK Pullen	12 December 2001	
H Askari	3 February 2003	

H Askari was provisionally appointed as a director on 3 February 2003, subject to regulatory approval.

None of the directors who held office had any disclosable interest in the shares of the company.

## Report of the directors for the year ended 31 December 2002 (continued)

According to the register of directors' interests, rights to subscribe for shares of the company's ultimate parent company, Old Mutual plc, were granted to the directors during the financial year as indicated below:

	Number of options during the period				Grant price	Expiry date	Date from which exercisable
	At start of period	Granted	Cancelled	Exercised			
HB Donnelly	29,000	-	-	-	29,000	£1.7275 7 Sept 2006	8 Sept 2003
HB Donnelly	32,400	-	-	-	32,400	£1.6225 7 Mar 2007	8 Mar 2004
HB Donnelly	7,876	-	-	-	7,876	£1.230 30 Nov 2004	1 Jun 2004
	69,276	-	-	-	69,276		
DA Hazelton	110,100	-	-	-	110,100	£1.2725 10 Sept 2007	11 Sept 2004
DA Hazelton	-	183,800	-	-	183,800	£0.9525 3 Mar 2008	4 Mar 2005
DA Hazelton	-	4,578	-	-	4,578	£0.8300 30 Nov 2005	1 Jun 2005
DA Hazelton	-	11,963	-	-	11,963	£0.8300 30 Nov 2007	1 Jun 2007
	110,100	200,341	-	-	310,441		
J Tomlins	133,600	-	-	-	133,600	£1.2725 10 Sept 2007	11 Sept 2004
J Tomlins	-	223,100	-	-	223,100	£0.9525 3 Mar 2008	4 Mar 2005
J Tomlins	-	11,445	-	-	11,445	£0.8300 30 Nov 2005	1 Jun 2005
	133,600	234,545	-	-	368,145		
WG Vasilieff	125,800	-	-	-	125,800	£1.2725 10 Sept 2007	11 Sept 2004
WG Vasilieff	-	210,000	-	-	210,000	£0.9525 3 Mar 2008	4 Mar 2005
WG Vasilieff	-	19,939	-	-	19,939	£0.8300 30 Nov 2007	1 Jun 2007
	125,800	229,939	-	-	355,739		
BSP Williams	92,700	-	-	-	92,700	£1.7275 7 Sept 2006	8 Sept 2003
BSP Williams	104,800	-	-	-	104,800	£1.6225 7 Mar 2007	8 Mar 2004
BSP Williams	13,719	19,939	13,719	-	19,939	£0.830 30 Nov 2007	1 June 2007
	211,219	19,939	13,719	-	217,439		
MP Williams	41,300	-	-	-	41,300	£1.2725 10 Sept 2007	11 Sept 2004
MP Williams	-	90,600	-	-	90,600	£0.9525 3 Mar 2008	4 Mar 2005
MP Williams	-	19,939	-	-	19,939	£0.8300 30 Nov 2007	1 June 2007
	41,300	110,539	-	-	151,839		

H Askari has 3,458 shares in Old Mutual Plc.

## Report of the directors for the year ended 31 December 2002 *(continued)*

### Statement of 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

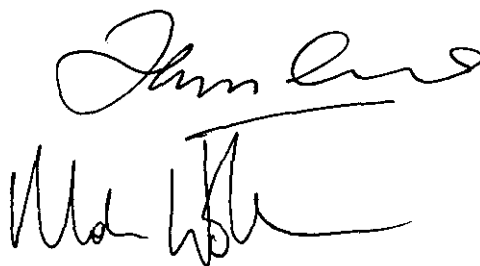
### Auditors

The directors have appointed KPMG Audit Plc as auditors of the company, by resolution passed at the first board meeting held on 24 April 2001. An elective resolution is in place to dispense with the obligation to reappoint auditors annually.

By order of the board

**J Tomlins**  
*Director*

**MP Williams**  
*Director*

The block contains two handwritten signatures in black ink. The top signature is for J Tomlins and the bottom signature is for MP Williams. Both signatures are written in a cursive, flowing style.

Polk House  
26-30 Upper Marlborough Road  
St. Albans  
Hertfordshire  
AL1 3UU  
England

9 April 2003

## **Report of the independent auditors to the members of Selestia Nominee Limited**

We have audited the financial statements on pages 5 to 6.

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 auditor's 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**

The directors are responsible for preparing the directors' report and, as described on page 3, 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 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 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 2002 and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

**KPMG Audit Plc**  
Chartered Accountants  
Registered Auditor  
8 Salisbury Square  
London  
EC4Y 8BB  
9 April 2003

**Balance sheet**  
*at 31 December 2002*

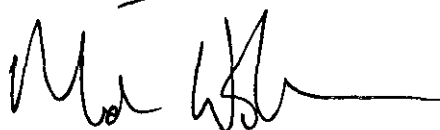
	<i>Note</i>	<b>2002</b> £	<b>2001</b> £
<b>Current assets</b>			
Debtors: amounts due within one year	2	1	1
		<hr/>	<hr/>
<b>Net assets</b>		<b>1</b>	<b>1</b>
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	3	1	1
		<hr/>	<hr/>
<b>Total Shareholders' funds</b>		<b>1</b>	<b>1</b>
		<hr/>	<hr/>

The financial statements on pages 5 to 6 were approved by the board of directors on 9 April 2003 and were signed on its behalf by:

**J Tomlins**  
*Director*



**MP Williams**  
*Director*



## Notes to the financial statements for the year ended 31 December 2002

### 1 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The principal accounting policies used, which have been applied consistently are set out below:

#### a) Basis of preparation

The financial statements have been prepared under the historical cost convention.

#### b) Cashflow

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that the ultimate parent undertaking includes the company in its own published consolidated financial statements.

#### d) Profit and loss account

The company has neither earned nor received any income nor has it incurred any expenditure in its own right, accordingly no profit and loss account has been prepared.

### 2 Debtors: amounts due within one year

	2002 £	2001 £
Amounts owed by group undertakings	1	1
	<u>1</u>	<u>1</u>

### 3 Called up share capital

	2002 £	2001 £
<i>Authorised</i>		
1,000 Ordinary shares of £1 each	1000	1,000
	<u>          </u>	<u>          </u>
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1	1	1
	<u>          </u>	<u>          </u>

### 4 Director's Emoluments

None of the directors received any emoluments in respect of qualifying services for the current or prior year.

### 5 Related party transactions

The company's ultimate parent undertaking prepares consolidated financial statements that are publicly available. Accordingly, the company has taken advantage of an exemption in Financial Reporting Standard 8, 'Related Party Transactions' and does not disclose transactions with other entities in the Old Mutual plc group.

### 6 Ultimate parent company

The immediate parent company is Selestia Investments Limited (incorporated in England and Wales) and the ultimate parent company is Old Mutual plc (incorporated in England & Wales). Copies of the immediate and ultimate parent company's accounts may be obtained from The Secretary, 3<sup>rd</sup> Floor, Lansdowne House, 57 Berkeley Square, London, W1J 6ER.