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Company No: FC024267

**THURLASTON FINANCE LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**

**31 December 2004**

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# **THURLASTON FINANCE LIMITED**

## **DIRECTORS' REPORT**

The directors submit their annual report and audited financial statements for the year ended 31 December 2004.

## **INCORPORATION**

The Company was incorporated in the Cayman Islands on 3 July 2002 as a company limited by shares. On 9 December 2002, the Company was registered as having established a branch in England and Wales under Schedule 21A, Companies Act 1985. Accordingly these accounts have been prepared in accordance with section 700 of the Companies Act 1985 (as amended by Statutory Instrument 1990 No.440).

## **PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS**

The principle activity of the Company is that of an investment company.

## **RESULTS AND DIVIDENDS**

The results of the Company for the year are set out in detail on page 4. The directors do not recommend the payment of an ordinary dividend. Preference dividends of £7,845,435 (2003: £7,824,000) were accrued and £7,888,306 (2003: £7,824,000) paid during the year. The retained profit for the year of £2,479,320 (2003: £1,832,039) will be transferred to reserves.

## **POST BALANCE SHEET EVENTS**

On 5 May 2005 the loan to the intermediate holding company was repaid and the issued preference share capital was redeemed. The directors of the Company will actively consider further investments that may be suitable for the Company.

## **DIRECTORS AND DIRECTORS' INTERESTS**

The directors who held office at the year end were as follows:

T Gasson  
A D Levy (appointed 15 October 2004)  
J D N Thomas

K P Collins resigned as a director of the company on 15 October 2004.

Subsequent to the year end T Gasson resigned as a director of the Company on 7 June 2005. On 18 July 2005, N G Aiken, P R Burke and C N Lynch were appointed as directors of the Company.

None of the directors had a disclosable interest in the shares or debentures of any group company. The directors are exempt from disclosing their interests in the shares or debentures of the ultimate parent undertaking, Allianz AG, as it is incorporated outside the United Kingdom.

# THURLASTON FINANCE LIMITED

## DIRECTORS' REPORT (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 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 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 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 taken advantage of the Elective Resolution in accordance with section 379A of the Companies Act 1985 to dispense with the annual appointment of auditors. Accordingly, KPMG Audit Plc will remain in office.

Approved by the Board of Directors  
Signed on behalf of the Board



A D Levy  
Director

31 October 2005

## THURLASTON FINANCE LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THURLASTON FINANCE LIMITED

In accordance with the terms of our engagement we have audited the financial statements set out on pages 4 to 8.

This report is made solely to the Company in accordance with the terms of our engagement. Our audit work has been undertaken so that we might state to the Company those matters we have been engaged to state to it in this 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 for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of directors and auditors

The directors have accepted responsibility for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom accounting standards and the requirements of the Companies Act 1985, as if the requirement of that act was to apply. Our responsibilities, as independent auditors, are established by the terms of our engagement letter, the Auditing Practices Board and by our profession's ethical guidance.

Under the terms of our engagement, we report to you our opinion as to whether the financial statements have been properly prepared in accordance with the basis of accounting policies set out in note 1. 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, or if we have not received all the information and explanations we require for our audit.

#### Basis of our audit opinion

We conducted our audit in accordance with the Auditing Standards issued by the United Kingdom 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.

#### Opinion

In our opinion the financial statements for the year ended 31 December 2004 have been properly prepared on the basis of the accounting policies set out in note 1 to the financial statements.

*KPMG Audit Plc*

**KPMG Audit Plc**  
*Chartered Accountants*  
London

31 October 2005

# THURLASTON FINANCE LIMITED

## PROFIT & LOSS ACCOUNT Year Ended 31 December

|  | Note | 2004<br>£   | 2003<br>£   |
|--|------|-------------|-------------|
| Interest receivable and similar income             | 3    | 10,324,755  | 9,656,258   |
| Other interest payable                             |      | -           | (219)       |
| Profit on ordinary activities before and after tax |      | 10,324,755  | 9,656,039   |
| Preference share appropriations                    | 4    | (7,845,435) | (7,824,000) |
| Retained profit for the year                       | 10   | 2,479,320   | 1,832,039   |

For the purpose of Financial Reporting Standard 3 all activities are continuing.

The Company has no recognised gains or losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

A statement showing the movement in reserves is set out in note 10 on page 8.

The notes on pages 6 to 8 form part of these financial statements.

# THURLASTON FINANCE LIMITED

## BALANCE SHEET As at 31 December

|                                     | Note | 2004<br>£           | 2003<br>£           |
|-------------------------------------|------|---------------------|---------------------|
| <b>FIXED ASSETS</b>                 |      |                     |                     |
| Investments                         | 6    | 4,999               | 4,999               |
| <b>CURRENT ASSETS</b>               |      |                     |                     |
| Debtors                             | 7    | 223,439,088         | 213,114,332         |
| <b>CREDITORS</b>                    |      |                     |                     |
| Amounts falling due within one year | 8    | <u>(18,520,373)</u> | <u>(10,674,937)</u> |
| <b>NET CURRENT ASSETS</b>           |      | <u>204,918,715</u>  | <u>202,439,395</u>  |
| <b>NET ASSETS</b>                   |      | <u>204,923,714</u>  | <u>202,444,394</u>  |
| <b>CAPITAL AND RESERVES</b>         |      |                     |                     |
| Called up share capital             | 9    | 160,025,000         | 160,025,000         |
| Share premium account               | 10   | 40,000,000          | 40,000,000          |
| Retained profit                     | 10   | <u>4,898,714</u>    | <u>2,419,394</u>    |
| <b>TOTAL SHAREHOLDER'S FUNDS</b>    |      | <u>204,923,714</u>  | <u>202,444,394</u>  |
| <b>Analysed between:</b>            |      |                     |                     |
| Equity                              |      | 4,923,714           | 2,444,394           |
| Non-equity                          |      | 200,000,000         | 200,000,000         |
|                                     |      | <u>204,923,714</u>  | <u>202,444,394</u>  |

The financial statements were approved by the Board of Directors on 31 October 2005 and signed on its behalf by: -



A D Levy  
Director

The notes on pages 6 to 8 form part of these financial statements.

# THURLASTON FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2004

### 1. ACCOUNTING POLICIES

#### Basis of preparation

The financial statements are prepared in accordance with applicable accounting standards in the United Kingdom and in accordance with the historical cost convention.

As the Company is registered as having a branch in England and Wales, these accounts have been prepared in accordance with section 700 of the Companies Act 1985 (as amended by Statutory Instrument 1990 No.440).

#### Interest receivable

Interest income is recognised on an accruals basis.

#### Dividend payable

Dividend expense is recognised on an accruals basis.

#### Investments

Investments are stated at cost less provision for impairment. The cost of investment includes any incidental costs of acquisition.

#### Cash flow statement

The Company has taken advantage of Financial Reporting Standard 1 (revised) not to prepare a cash flow statement on the grounds that the immediate parent undertaking, Dresdner Kleinwort Wasserstein Group Limited, prepares consolidated financial statements which are publicly available.

#### Disclosure of related party transactions

Thurlaston Finance Limited's immediate parent undertaking, Dresdner Kleinwort Wasserstein Group Limited, prepares consolidated financial statements that are publicly available. Accordingly, advantage has been taken in these financial statements of the exemptions available in Financial Reporting Standard 8 from disclosure of transactions with entities that are part of the Group or investees of Group entities as related parties.

### 2. ADMINISTRATIVE EXPENSES

The Company had no employees during the year. In addition, no director received any remuneration in respect of their services to the Company. All expenses, including auditors' remuneration, are borne by Dresdner Kleinwort Wasserstein Limited, a fellow subsidiary undertaking.

### 3. INTEREST RECEIVABLE AND SIMILAR INCOME

|  | 2004<br>£         | 2003<br>£        |
|--|-------------------|------------------|
| Loan note interest from an intermediate parent undertaking | 10,324,512        | 9,656,015        |
| Interest received on UK Gilts                              | <u>243</u>        | <u>243</u>       |
|  | <u>10,324,755</u> | <u>9,656,258</u> |

### 4. PREFERENCE SHARE APPROPRIATIONS

|                                | 2004<br>£        | 2003<br>£        |
|--------------------------------|------------------|------------------|
| Due on 4.89% preference shares | <u>7,845,435</u> | <u>7,824,000</u> |

# THURLASTON FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) Year Ended 31 December 2004

### 5. TAXATION

|  | 2004<br>£          | 2003<br>£          |
|--|--------------------|--------------------|
| Current year tax                                       | -                  | -                  |
| <b>Factors affecting the tax charge for the year :</b> |                    |                    |
| Profit on ordinary activities before taxation          | <u>10,324,755</u>  | <u>9,656,039</u>   |
| Tax at 30% of profit                                   | 3,097,427          | 2,896,812          |
| Losses surrendered at no charge                        | <u>(3,097,427)</u> | <u>(2,896,812)</u> |
|  | <u>-</u>           | <u>-</u>           |

### 6. INVESTMENTS

|   | Listed<br>Investments<br>£ |
|---|----------------------------|
| Cost and Net Book Value at 1 January and 31 December 2004 | <u>4,999</u>               |

The market value of the listed investments at 31 December 2004 was £5,024 (2003: £4,944).

### 7. DEBTORS

|   | 2004<br>£          | 2003<br>£          |
|---|--------------------|--------------------|
| Amounts due from intermediate parent undertakings | <u>223,439,088</u> | <u>213,114,332</u> |

### 8. CREDITORS

#### Amounts falling due within one year

|   | 2004<br>£         | 2003<br>£         |
|---|-------------------|-------------------|
| Amounts due to the immediate parent undertaking | 17,684,384        | 9,796,077         |
| Preference dividends payable                    | <u>835,989</u>    | <u>878,860</u>    |
|   | <u>18,520,373</u> | <u>10,674,937</u> |



# THURLASTON FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended 31 December 2004

### 9. CALLED UP SHARE CAPITAL

|  | 2004<br>£          | 2003<br>£          |
|--|--------------------|--------------------|
| Authorised, Allotted and fully paid      |                    |                    |
| 25,000 ordinary shares of £1 each        | 25,000             | 25,000             |
| 160,000,000 preference shares of £1 each | <u>160,000,000</u> | <u>160,000,000</u> |
|  | <u>160,025,000</u> | <u>160,025,000</u> |

The holders of the preference shares are entitled to fixed cumulative preference dividends of 4.89% to be paid quarterly commencing 20 November 2002. The dividend ranks in priority to the transfer of any sum to reserves and to any payment of dividend to the holders of the ordinary shares or the holders of any other class of shares or stock issued by the Company (other than the holders of any class of shares ranking in priority to the preference shares as regards participation in the amounts available to the Company for distribution).

Holders of the preference shares are not entitled to receive notice of, attend, speak or vote at a general meeting of the Company unless there is a resolution proposed abrogating, varying or modifying any of the rights or privileges of the holders of the preference shares (in which case they are only entitled to vote on the resolution).

On 5 May 2005 the entire preference share capital (including share premium) was redeemed for £200,000,000 plus accrued dividends up to that date.

### 10. COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

|                                 | Share<br>Capital   | Share<br>premium<br>Account | Profit & Loss<br>Account | Total<br>Shareholder's<br>Funds | Total<br>Shareholder's<br>Funds |
|---------------------------------|--------------------|-----------------------------|--------------------------|---------------------------------|---------------------------------|
|                                 | 2004<br>£          | 2004<br>£                   | 2004<br>£                | 2004<br>£                       | 2003<br>£                       |
| 1 January                       | 160,025,000        | 40,000,000                  | 2,419,394                | 202,444,394                     | 200,612,355                     |
| Retained profit for<br>the year | -                  | -                           | <u>2,479,320</u>         | <u>2,479,320</u>                | <u>1,832,039</u>                |
| 31 December                     | <u>160,025,000</u> | <u>40,000,000</u>           | <u>4,898,714</u>         | <u>204,923,714</u>              | <u>202,444,394</u>              |

### 11. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Allianz AG, a company incorporated in Germany.

For consolidation purposes, Dresdner Kleinwort Wasserstein Group Limited, a company incorporated in Great Britain and registered in England and Wales, is the parent undertaking of the smallest group of which the Company is a member. Copies of the consolidated financial statements of Dresdner Kleinwort Wasserstein Group Limited for the year ended 31 December 2004 are filed at the Companies Registration Office, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. Financial statements of Allianz AG are available from Allianz AG, Investor Relations, Koeniginstrasse 28, D-80802 Munich, Germany.