

Company Number: SCO47926

CLYDESDALE BANK INSURANCE BROKERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS

30 SEPTEMBER 2002



CLYDESDALE BANK INSURANCE BROKERS LIMITED
ANNUAL REPORTS AND FINANCIAL STATEMENTS
30 SEPTEMBER 2002

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CLYDESDALE BANK INSURANCE BROKERS LIMITED

REPORT OF THE DIRECTORS

The Directors of Clydesdale Bank Insurance Brokers Limited (the Company) submit their annual report and audited financial statements for the year ended 30 September 2002.

Principal Activity and Review of Business

The principal activity of the Company, which operates in the United Kingdom, is the provision of insurance and financial planning services. On 1 March 2002 the Company sold its general insurance brokerage business to a fellow subsidiary at a market value of £14,800,000. There has been no other significant change in the Company's activities during the year.

Profits and Appropriations

The profit attributable to shareholders for the year amounted to £19,875,835 (2001: £16,110,764). An interim dividend of £14,800,000 was paid on 30 September 2002 (2001:nil). The Directors recommend that a proposed final dividend of £10,000,000 is paid in respect of the year ended 30 September 2002 (2001:£16,000,000). There is a profit of £4,659,781 (2001: £9,583,946) carried forward in reserves.

Directors and Directors' Interests

	Date Resigned
HJ Thomson	
B Long	
I Walker	
D MacPherson	28 February 2002

Company Secretary

	Date Appointed	Date Resigned
C Aujard	28 January 2002	
JL Shirran		28 January 2002

No Director has any interest in the shares or debentures of any Group company incorporated in the United Kingdom or Ireland.

As the Company is a wholly owned subsidiary of National Australia Bank Limited, which is incorporated in Australia, any interest which the Directors may have in National Australia Bank Limited does not need to be either notified to the Company or disclosed in this respect.

Employee Involvement

The Group carries out an information programme to keep staff informed of business objectives and results. This is achieved through regular meetings, circulars, bulletins and specially commissioned videos as well as training courses for staff.

CLYDESDALE BANK INSURANCE BROKERS LIMITED
REPORT OF THE DIRECTORS (continued)

Employee Involvement (continued)

The Employee Share Savings Plan ceased in March 2002, and has been replaced by the National Share Incentive Plan (see below). Full-time and part-time employees with at least one full year of continuous service at the beginning of the savings period were eligible to participate in the plan. The plan allowed for savings out of salary (up to a maximum of 2%) by participating employees and the investment of those savings by the acquisition of fully paid ordinary shares of National Australia Bank. At the end of the savings period, the Group made a cash contribution sufficient to purchase an equivalent number of shares as that purchased from the accumulated savings of participating employees.

Under the National Share Incentive Plan employees are entitled to purchase up to £1,500 worth of shares each year through the National Partnership Share Plan. Participants contribute each month and the trustees use the contributions to purchase shares which are then held in trust for the participants. Participants are entitled to receive dividends and exercise voting rights in respect of these shares and there is no risk of forfeiture. In addition, up to £3,000 of free shares may be gifted to employees per annum through the plan. It is intended that ordinary shares at a target of A\$1,000 will be gifted to employees in 2002 under the National EVA Share Offer. Again, participants are entitled to receive dividends and exercise voting rights whilst they are members of the plan.

Employment of Disabled Persons

It is the policy of the Group to promote equality of employment opportunities by giving full and fair consideration to applications from disabled people for vacancies where particular job requirements are considered to be within their ability. If existing employees become disabled every effort is made to retain them within the workforce wherever reasonable and practicable. The Group also endeavours to provide equal opportunities in the training, promotion and general career development of disabled employees.

Payment of Suppliers

The Company recognises the importance of maintaining good business relationships with its suppliers and is committed to paying all invoices within 30 days of invoice date or otherwise within agreed terms. During the financial year the average period taken to pay suppliers was 25 days.

Charitable and Political Donations

The total amount given for charitable purposes by the Company during the year ended 30 September 2002 was £NIL (2001:£nil).

No political donations were made during either year.

CLYDESDALE BANK INSURANCE BROKERS LIMITED
REPORT OF THE DIRECTORS (continued)

Corporate Governance

It is the Company's policy not to include all of the discretionary disclosures in respect of voluntary corporate governance Codes of Practice as it is a wholly owned subsidiary of National Australia Bank Limited. The National Australia Bank Group's 2002 Annual Accounts detail the Corporate Governance framework applicable to the Company. These disclosures are made after consideration of authoritative pronouncements on audit committees and associated disclosures in Australia, USA, the United Kingdom and the Republic of Ireland.

Economic and Monetary Union

The Group is continuing its programme related to European Economic and Monetary Union (EMU) and the possible introduction of the single currency.

In the UK, the Government is committed to the UK having an option to join EMU in the life of the current parliament, subject to certain economic criteria being met and a national referendum in favour. Against this uncertain background, the Group has assessed the impact that UK entry might bring and has laid the foundations of a programme to prepare for such entry should it occur. The Group continues to monitor the UK Government and industry developments so that it can ensure that its operations will not be disrupted whatever the eventual outcome. The Group is also ensuring that it can continue to service its customers as the use of the Euro in business evolves.

The uncertainty over the UK's involvement in the single currency and its timing prevent an accurate assessment of the scale and cost of the total programme and further commitment to it.

Elective Regime

In accordance with the provisions of the Companies Act 1985, as amended, the Company has elected to dispense with the laying of financial statements before a general meeting, the holding of annual general meetings and the obligation to appoint auditors annually.

BY ORDER OF THE BOARD



C Aujard
Secretary
28 October 2002

Registered Office:
30 St. Vincent Place
Glasgow
G1 2HL

CLYDESDALE BANK INSURANCE BROKERS LIMITED
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 its 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.

**CLYDESDALE BANK INSURANCE BROKERS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CLYDESDALE BANK INSURANCE BROKERS LIMITED**

We have audited the financial statements on pages 7 to 18.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the directors' report and, as described on page 5, 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.

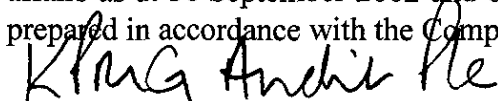
Basis of Audit Opinion

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 30 September 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc
Chartered Accountants
Registered Auditor
24 Blythswood Square
Glasgow
28 October 2002

CLYDESDALE BANK INSURANCE BROKERS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2002

	Note	Continuing Operations 2002 £	Discontinued Operations 2002 £	Total 2002 £	2001 £
Turnover	2	5,666,369	8,693,388	14,359,757	29,628,771
Administrative expenses	4	(3,838,883)	(4,194,115)	(8,032,998)	(8,184,132)
Operating Profit	3	1,827,486	4,499,273	6,326,759	21,444,639
Profit on Sale of General Insurance Business	5	-	14,800,000	14,800,000	-
Interest receivable	6			970,761	1,596,399
Profit on Ordinary Activities before Taxation				22,097,520	23,041,038
Taxation on Profit on Ordinary Activities	7			(2,221,685)	(6,930,274)
Profit for the Financial Year				19,875,835	16,110,764
Dividends paid				(14,800,000)	-
Dividends proposed				(10,000,000)	(16,000,000)
Retained (Loss)/Profit for the Financial Year				(4,924,165)	110,764
Retained profit brought forward				9,583,946	9,473,182
Retained profit carried forward				4,659,781	9,583,946

The Company has no recognised gains or losses other than those disclosed above. As a result no 'Statement of Total Recognised Gains and Losses' has been prepared.

These accounts have been prepared on an unmodified historical cost basis.

The notes on pages 10 to 18 are an integral part of these financial statements.

CLYDESDALE BANK INSURANCE BROKERS LIMITED
RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS
FOR THE YEAR ENDED 30 SEPTEMBER 2002

	2002 £	2001 £
Profit for the financial year attributable to the shareholder	19,875,835	16,110,764
Dividend paid	(14,800,000)	-
Dividend proposed	(10,000,000)	(16,000,000)
	<hr/>	<hr/>
Retained (loss)/profit for the financial year	(4,924,165)	110,764
Opening shareholder's funds	9,933,946	9,823,182
	<hr/>	<hr/>
Closing shareholder's funds	5,009,781	9,933,946
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 10 to 18 are an integral part of these financial statements.

CLYDESDALE BANK INSURANCE BROKERS LIMITED
BALANCE SHEET
AS AT 30 SEPTEMBER 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible assets	8	418,548	31,911
CURRENT ASSETS			
Deferred Taxation	9	424,987	761,037
Debtors	10	10,239,829	4,062,645
Cash at bank		<u>10,459,759</u>	<u>35,535,158</u>
		21,124,575	40,358,840
CREDITORS: amounts falling due within one year	11	<u>(13,537,755)</u>	<u>(26,446,056)</u>
NET CURRENT ASSETS		7,586,820	13,912,784
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,005,368</u>	<u>13,944,695</u>
CREDITORS: amounts falling due after more than one year	12	(1,759,738)	(1,500,000)
PROVISIONS FOR LIABILITIES AND CHARGES	14	(1,235,849)	(2,510,749)
NET ASSETS		<u><u>5,009,781</u></u>	<u><u>9,933,946</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	350,000	350,000
Profit and Loss account		<u>4,659,781</u>	<u>9,583,946</u>
SHAREHOLDER'S FUNDS		<u><u>5,009,781</u></u>	<u><u>9,933,946</u></u>

The notes on pages 10 to 18 are an integral part of these financial statements

The financial statements were approved by the board of directors on 28 October 2002 and were signed on its behalf by:


Director

CLYDESDALE BANK INSURANCE BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

Basis of Preparation

In these financial statements Clydesdale Bank Insurance Brokers Limited is referred to as the "Company".

The financial statements of the Company have been drawn up in accordance with the applicable Accounting Standards and Urgent Issues Task Force Abstracts. The relevant requirements of Financial Reporting Standards 17 "Retirement Benefits" and 19 "Deferred Tax" have been implemented in these financial statements, with no significant effect on the result. The format of the financial statements for the Company complies with Schedule 4 to the Act.

In accordance with FRS1 "Cash Flow Statements (Revised 1996), no cash flow statement is presented as the Company is a wholly owned subsidiary of National Australia Bank Limited which presents such a statement in its own published financial statements.

With the exception of the Company's policy on deferred tax, which has been amended following the adoption of Financial Reporting Standard 19, the accounting policies used in the preparation of these financial statements are consistent with previous years.

Historical Cost

The financial statements are based on historical cost.

Currency of presentation

All amounts are expressed in pounds sterling and all references to £ are to pounds sterling unless otherwise stated.

Comparatives

Certain comparatives have been reclassified to conform with changes in the current year's presentation.

Restatement of prior year figures

The prior year comparative figures have been split between continuing operations and discontinued operations due to the sale on 1 March 2002 of the Company's general insurance operations to National Australia Insurance Services Limited.

CLYDESDALE BANK INSURANCE BROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting Policies (continued)

Turnover

Turnover comprises commission on sales of non National Australia Bank Group life, pension and investment products by Independent Financial Advisors and commission and profit share from General Insurance business. Life and Pension business commission is recognised when the risks are accepted by the insurers. Commission on General Insurance policies is recognised when it is earned.

Leasing

Where the Company is a lessee, leased assets are capitalised and the corresponding liability is recognised in creditors.

Lease rentals payable on operating leases are recognised in the profit and loss account in periodic amounts over the effective lease term.

Bad and doubtful debts

A specific provision is established to cover all identified doubtful debts. All bad debts are written off against the provision in the period in which they are classified as irrecoverable.

Tangible Fixed Assets

Tangible fixed assets are carried at the lower of cost, less accumulated depreciation, and recoverable amount. If the carrying amount of tangible fixed assets exceeds its recoverable amount, the asset is written down to the lower amount.

All tangible fixed assets are depreciated using the straight line method, at rates appropriate to its estimated useful life to the Company, taking into account any residual value. Motor vehicles, furniture and office machinery and data processing equipment are depreciated over their estimated useful lives, which range from three to ten years.

Profit or loss on the sale of tangible fixed assets, which is determined as the difference between the carrying amount of tangible fixed assets at the time of disposal and the sales proceeds, is taken to the profit and loss account.

Pension and post retirement costs

Contributions to pension schemes operated by National Australia Group Europe Limited and some of its subsidiaries are charged to the profit and loss account so as to spread the expected cost of pensions, calculated in accordance with actuarial advice, on a systematic basis over employees' working lives. Pension arrangements cover a majority of employees and are operated through defined benefit schemes funded by the Company. The pension cost relating to these schemes is assessed in accordance with advice of qualified actuaries, on the basis of triennial valuations, using the projected unit method. Variations from the regular cost are allocated on a straight line basis over the average remaining service lives of current employees.

CLYDESDALE BANK INSURANCE BROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Accounting Policies (continued)

Taxation

The Company provides for taxation using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is accounted for on an undiscounted basis at expected tax rates on all timing differences which occur where items are tax-effected in a period different from that in which they are recognised in the Financial Statements. Deferred tax assets are only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the timing differences and tax losses can be deducted.

2. Turnover

Turnover comprises commission and profit share received from the provision of services falling within the Company's ordinary activities.

All of the Company's turnover is generated in the United Kingdom.

3. Continuing and Discontinued Businesses

	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
	2002	2002	2002	2001	2001	2001
	£	£	£	£	£	£
Turnover	5,666,369	8,693,388	14,359,757	6,259,690	23,369,081	29,628,771
Admin Expenses	<u>(3,838,883)</u>	<u>(4,194,115)</u>	<u>(8,032,998)</u>	<u>(3,242,582)</u>	<u>(4,941,550)</u>	<u>(8,184,132)</u>
Operating Profit	<u>1,827,486</u>	<u>4,499,273</u>	<u>6,326,759</u>	<u>3,017,108</u>	<u>18,427,531</u>	<u>21,444,639</u>

4. Administrative Expenses

Administrative expenses includes:

	2002	2001
	£	£
Auditors' remuneration:		
Audit	7,585	7,400
Other services	4,000	3,900
Depreciation:		
Owned	28,302	6,336
Held under finance leases	<u>58,258</u>	<u>-</u>

CLYDESDALE BANK INSURANCE BROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

4 Administrative Expenses (continued)

The Company is a wholly owned subsidiary of National Australia Bank Limited, which is required to comply with the Australian Corporations Act 2001 and the Australian Securities and Investments Commission's Class Order 98/2000 and 00/0319 pertaining to external audit indebtedness. The Company complies with the requirements of Class Order 98/2000 and 00/0319 in that no member of KPMG Australia is indebted to the Company unless such indebtedness is permitted under the terms of either of these class orders.

Staff costs and numbers:

	2002	2001
	£	£
Costs		
Wages and salaries	2,215,388	3,362,571
Social security costs	272,763	289,486
Other pension costs	461,378	677,887
	<u>2,949,529</u>	<u>4,329,944</u>

Numbers

The average number of employees during the year was:

	2002	2001
General	25	88
Life and pensions	69	63
	<u>94</u>	<u>151</u>

The pension charge for the year was £461,378 (2001:£677,887) representing a proportionate share of the National Wealth Management Europe Holdings Limited Group's total contribution. The Company is a member of Clydesdale Bank Pension Scheme, a defined benefit scheme. Actuarial details of the scheme are contained in the Financial Statements of National Wealth Management Europe Holdings Limited.

Directors' remuneration

	2002	2001
	£	£
Directors' emoluments	<u>94,634</u>	<u>120,850</u>

The emoluments, excluding pension contributions, of the highest paid director amounted to £72,598 (2001: £73,508). During the year two of the current directors accrued benefits under the Clydesdale Bank Pension Scheme, a funded defined benefit scheme.

Certain other Directors were remunerated by other companies within the National Australia Group Europe Limited and no charge is made to the Company directly. It is not practicable to allocate their remuneration between Group companies.

CLYDESDALE BANK INSURANCE BROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

5. Profit on Sale of General Insurance Business

On 1 March 2002 the Company sold its general insurance brokerage business to a fellow subsidiary at a market value of £14,800,000.

6. Interest receivable

All interest receivable and payable is derived from and paid to fellow group companies.

	2002 £	2001 £
Bank interest receivable (net)	<u>970,761</u>	<u>1,596,399</u>

7. Taxation on profit on ordinary activities

Current tax charge for the year:	2002 £	2001 £
Corporation tax at 30% (2001: 30%)	1,885,635	6,575,800
Deferred tax (note 9)	<u>336,050</u>	<u>354,474</u>
	<u>2,221,685</u>	<u>6,930,274</u>

Analysis of charge in the year:	£	£
Profit on ordinary activities	22,097,520	23,041,038
Tax on ordinary activities at a standard rate of UK Corporation tax of 30%	6,629,256	6,912,311

Effect of:

Income not taxable	(4,440,000)	-
Expenses not allowable for tax purposes	32,429	17,963
Deferred taxation (note 9)	<u>(336,050)</u>	<u>(354,474)</u>
Current tax charge for the year	<u>1,855,635</u>	<u>6,575,800</u>

CLYDESDALE BANK INSURANCE BROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Tangible Assets

	Motor Vehicles	Office Equipment	Computer Equipment	Total
	£	£	£	£
Cost				
At 1 October 2001	-	196,508	538,933	735,441
Additions	31,548	6,311	45,525	83,384
Transfers from Group companies	658,848	99,923	79,461	838,232
Transfers to Group companies	(240,271)	-	-	(240,271)
At 30 September 2002	<u>450,125</u>	<u>302,742</u>	<u>663,919</u>	<u>1,416,786</u>
Accumulated Depreciation				
At 1 October 2001	-	188,034	515,496	703,530
Transfers from Group companies	126,696	67,394	79,318	273,408
Transfers to Group companies	(65,260)			(65,260)
Charge for the year	<u>58,258</u>	<u>17,743</u>	<u>10,559</u>	<u>86,560</u>
At 30 September 2002	<u>119,694</u>	<u>273,171</u>	<u>605,373</u>	<u>998,238</u>
Net book value				
At 30 September 2002	<u><u>330,431</u></u>	<u><u>29,571</u></u>	<u><u>58,546</u></u>	<u><u>418,548</u></u>
At 30 September 2001	<u>-</u>	<u>8,474</u>	<u>23,439</u>	<u>31,911</u>

Included in the total net book value of Motor Vehicles is £330,431 (2001:Nil) in respect of assets held under finance leases. Depreciation for the year of these assets was £58,258 (2001:Nil).

9. Deferred Taxation

	2002	2001
	£	£
At 1 October 2001	761,037	1,115,511
Charge for the year (note 7)	<u>(336,050)</u>	<u>(354,474)</u>

At 30 September 2002- Deferred tax asset 424,987 761,037

Full provision has been made for deferred taxation as follows:

	2002	2001
	£	£
Accelerated capital allowances	54,232	7,812
Other timing differences	<u>370,755</u>	<u>753,225</u>

Deferred tax asset 424,987 761,037

A deferred tax asset has been recognised as the amount is considered to be fully recoverable against future profits.

CLYDESDALE BANK INSURANCE BROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Debtors

	2002 £	2001 £
Trade Debtors	87,733	-
Amounts owed by group undertakings	9,017,783	2,135,250
Prepayments and accrued income	1,134,313	1,927,395
	<u>10,239,829</u>	<u>4,062,645</u>

11. Creditors: Amounts falling due within one year:

	2002 £	2001 £
Amounts due to group undertakings	2,255,116	-
Finance Leases (note 13)	82,633	-
Trade creditors	335,785	5,517,387
Corporation tax	492,604	3,566,801
Proposed dividend	10,000,000	16,000,000
Accruals and deferred income	371,617	1,361,868
	<u>13,537,755</u>	<u>26,446,056</u>

12. Creditors: Amounts falling due after more than one year:

	2002 £	2001 £
Finance Leases (note 13)	259,738	-
Amounts due to group undertaking	1,500,000	1,500,000
	<u>1,759,738</u>	<u>1,500,000</u>

Amounts due to Group undertaking comprises a subordinated loan of £1.5 million from Clydesdale Bank Plc to the Company.

13. Finance Leases

The maturity obligations under the finance leases and hire purchase contracts is as follows:-	2002 £	2001 £
Within 1 year	82,633	-
In the second to fifth years	259,738	-
Total	<u>342,371</u>	<u>-</u>

CLYDESDALE BANK INSURANCE BROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Provisions for liabilities and charges

	Provision for Compensation Payments	
	2002	2001
	£	£
At 1 October 2001	2,510,749	3,659,347
Provision released	(200,000)	-
Provision utilised	<u>(1,074,900)</u>	<u>(1,148,598)</u>
At 30 September 2002	<u>1,235,849</u>	<u>2,510,749</u>

Provision has been made to cover the potential costs associated with the resolution of claims against the Company in respect of pension advice given.

15 Share capital

	2002	2001
	£	£
Authorised, issued and fully paid up:		
350,000 ordinary shares of £1 each	<u>350,000</u>	<u>350,000</u>

16 Contingent Liability

A review of compliance arrangements and sales processes during the year has raised certain concerns over the quality and suitability of sales advice given by the Company's independent financial advisors. These concerns are being investigated by the Company. No provision for the future cost of this review has been established as the investigation has yet to determine the specific subsequent steps and actions required. As a result the outcome of the investigation cannot be estimated with any certainty at this time nor any subsequent costs that might result.

17 Ultimate Parent Undertakings

The ultimate parent undertaking is National Australia Bank Limited, a company incorporated in the State of Victoria, Australia. National Australia Bank Limited also heads the largest group in which the results of the Company are consolidated. The new smallest group in which the results of the Company are consolidated is that headed by its new immediate parent undertaking, National Wealth Management Europe Holdings Limited, which is incorporated in Great Britain and registered in England & Wales. The Company's previous immediate parent undertaking until 31 December 2001 was Clydesdale Bank PLC which is incorporated in Great Britain and registered in Scotland.

CLYDESDALE BANK INSURANCE BROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

17 Ultimate Parent Undertakings (continued)

Copies of Group Financial Statements in respect of National Wealth Management Europe Holdings Limited may be obtained from the Company Secretary, National Wealth Management Europe Holdings Limited, 88 Wood Street, London, EC2V 7QQ; copies of the Group Financial Statements prepared in respect of National Australia Bank Limited can be obtained from National Australia Bank Limited, London Branch, 88 Wood Street, London, EC2V 7QQ.

18 Related Party Disclosures

The Company, as a wholly owned subsidiary of National Wealth Management Europe Holdings Limited, has taken advantage of an exemption contained in FRS8, Related Party Disclosures, in preparing its accounts. This exemption allows the Company not to disclose details of transactions with other Group companies or investees of the Group as related parties, as the consolidated accounts of National Wealth Management Europe Holdings Limited in which the Company is included are available to the public.