

**STANDARD LIFE INVESTMENTS  
(PRIVATE EQUITY) LIMITED**

**REPORT AND ACCOUNTS  
FOR THE YEAR ENDED  
15 NOVEMBER 1999**



**SCT S53XYPJ3 1954**  
**COMPANIES HOUSE 10/04/00**

Registered in Scotland Number SC184076

## REPORT AND ACCOUNTS

## STANDARD LIFE INVESTMENTS (PRIVATE EQUITY) LIMITED

Directors : A M Crombie, FFA (Chairman)  
J D Maxwell, LLB MBA  
D Currie, Bsc MBA

Secretary : P W Somerville, LLB

## STANDARD LIFE INVESTMENTS (PRIVATE EQUITY) LIMITED

## REPORT BY THE DIRECTORS

The directors submit their Report and Accounts for the year ended 15 November 1999.

Annual General Meeting

As permitted by Section 366A of the Companies Act 1985, the Company has passed an elective resolution to dispense with the holding of annual general meetings.

Result and dividend

The Company made a profit for the year ended 15 November 1999 of £149.

The directors do not recommend the payment of a dividend. The profit for the year has been transferred to reserves.

Principal activities and business review

The Company's principal activity is to provide investment management services to Standard Life Investments (General Partner) Limited. Trading activities commenced on 23 August 1999. Prior to this date the Company had not traded since the date of incorporation, 23 March 1998.

Year 2000 systems conversion

The overall cost of the Year 2000 systems conversion project carried out by the ultimate parent undertaking has been disclosed in the ultimate parent undertaking's accounts.

Economic and Monetary Union

The Company's income and expenses are denominated entirely in Sterling. The directors will closely monitor the development of Economic and Monetary Union (EMU), but at present no specific action is required.

Directors and their interests

The directors who were in office throughout the year are shown on page 1. There have been no changes during the year.

The appointment of directors is not subject to retirement by rotation. None of the directors has a beneficial interest in the shares of the Company, which is a wholly owned subsidiary of Standard Life Investments Limited.

Auditors

The auditors, PricewaterhouseCoopers, Chartered Accountants, are willing to continue in office.

Subsequent event

On 14 January 2000 the authorised share capital of the Company was increased by US\$750,000 by the creation of 750,000 redeemable preference shares of US\$1 each. On 24 January 2000, 750,000 redeemable preference shares of US\$1 each were issued at par to the parent undertaking.

On behalf of the Board of Directors



P W Somerville, Secretary

Edinburgh, 9 February 2000

## STANDARD LIFE INVESTMENTS (PRIVATE EQUITY) LIMITED

## PROFIT AND LOSS ACCOUNT

for the year ended 15 November 1999

	Note	1999 £	1998 £
Turnover	2	419,270	-
Administrative expenses	4	<u>(419,270)</u>	<u>-</u>
		-	-
Interest receivable and similar income		<u>213</u>	<u>-</u>
Profit on ordinary activities before taxation		213	-
Tax on profit on ordinary activities	7	<u>(64)</u>	<u>-</u>
Profit on ordinary activities after taxation		149	-
Balance brought forward		<u>-</u>	<u>-</u>
Balance carried forward		<u>149</u>	<u>-</u>

There are no recognised gains or losses other than the profit for the year.

The profit for the year relates wholly to continuing activities.

## STANDARD LIFE INVESTMENTS (PRIVATE EQUITY) LIMITED

## BALANCE SHEET

as at 15 November 1999

	Note	1999 £	1998 £
<b>CURRENT ASSETS</b>			
Amounts owed by group undertakings		-	2
Cash at bank and in hand		<u>5,213</u>	<u>-</u>
		5,213	2
<b>CURRENT LIABILITIES</b>			
Creditors - Amounts falling due within one year	8	(64)	-
		<u>5,149</u>	<u>2</u>
<b>NET CURRENT ASSETS</b>			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	5,000	2
Profit and loss account		<u>149</u>	<u>-</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>10</b>	<u><b>5,149</b></u>	<u><b>2</b></u>

On behalf of the Board of Directors



A M Crombie      Chairman

Edinburgh, 9 February 2000

## STANDARD LIFE INVESTMENTS (PRIVATE EQUITY) LIMITED

## NOTES ON THE ACCOUNTS

## 1. ACCOUNTING POLICIES

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

## 2. TURNOVER

Turnover, which is stated net of VAT, is derived solely from the provision of investment management services to Standard Life Investments (General Partner) Limited.

## 3. SEGMENTAL REPORTING

During the year the Company had no material activities outside the United Kingdom. Accordingly, no segmental information is disclosed.

## 4. ADMINISTRATIVE EXPENSES

The Company has no employees (1998 - Nil) and was managed by the parent undertaking. All administrative expenses incurred are met by the parent and ultimate parent undertakings and are recovered through administrative and management charges.

## 5. AUDITORS' REMUNERATION

Auditors' remuneration for the year amounted to £2,000 (1998 - £100, paid by the parent undertaking). Auditors' remuneration in respect of non-audit services during the period amounted to £1,500 (1998 - £Nil).

## 6. DIRECTORS' REMUNERATION

The Chairman, who is also a director of the parent undertaking, Standard Life Investments Limited, receives no fees in respect of his services to the Company.

The remaining directors are executives of the parent undertaking, Standard Life Investments Limited, and received aggregate remuneration of £73,715 (1998 - £Nil) in respect of their services to the Company during the year.

Retirement benefits are accruing to two directors in respect of their services to the Company under a defined benefit scheme operated by the ultimate parent undertaking.

## 7. TAXATION

	1999 £	1998 £
UK corporation tax	64	-

## 8. CREDITORS - Amounts falling due within one year

	1999 £	1998 £
Amounts owed to group undertakings	64	-

Included within 'Amounts owed to group undertakings' is an amount of £64 (1998 - £Nil) in payment for group relief.

## STANDARD LIFE INVESTMENTS (PRIVATE EQUITY) LIMITED

## NOTES ON THE ACCOUNTS (Continued)

## 9. CALLED UP SHARE CAPITAL

	Authorised		Allotted, Called up and Fully Paid			
	1999	1998	1999		1998	
	£	£	No.	£	No.	£
Ordinary Shares of £1 each	200,000	100	5,000	5,000	2	2

On 16 November 1998 the authorised share capital was increased to £200,000 by the creation of an additional 199,900 ordinary shares of £1 each. On the same date 4,998 ordinary shares of £1 each, were issued at par for cash consideration of £4,998, increasing the Company's total issued share capital to £5,000. All shares are beneficially owned by the parent, Standard Life Investments Limited.

## 10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999 £	1998 £
Opening shareholders' funds	2	-
New share capital subscribed	4,998	2
Profit for the year	149	-
Closing shareholders' funds	5,149	2

## 11. CASHFLOW STATEMENT

A Cashflow Statement has not been provided as the Company has taken advantage of the exemption contained in Financial Reporting Standard 1 (Revised) "Cashflow Statements" as group accounts in which the Company is included are available.

## 12. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under Paragraph 3(c) of Financial Reporting Standard 8 from disclosing transactions with other undertakings of the Standard Life Group.

## 13. PARENT UNDERTAKINGS

The Company is a wholly owned subsidiary of Standard Life Investments Limited. The ultimate parent undertaking is The Standard Life Assurance Company. The accounts of the ultimate parent undertaking are the only group accounts incorporating the accounts of the Company.

Copies of the accounts of the ultimate parent undertaking can be obtained at Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH.

## STANDARD LIFE INVESTMENTS (PRIVATE EQUITY) LIMITED

## DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 addition, the directors should take all reasonable steps to ensure that adequate accounting records are maintained, that the assets of the Company are safeguarded and that fraud and other irregularities are prevented or detected.

The directors are of the opinion that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the accounts of the Company for the year ended 15 November 1999 on a going concern basis and that applicable accounting standards have been followed.

## AUDITORS' REPORT TO THE MEMBERS OF STANDARD LIFE INVESTMENTS (PRIVATE EQUITY) LIMITED

We have audited the accounts on pages 3 to 6.

Respective responsibilities of directors and auditors

As described above, the directors are responsible for preparing the accounts, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the accounts, 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 director's remuneration and transactions is not disclosed.

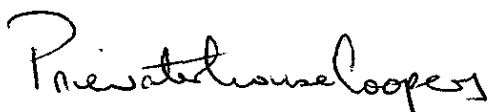
Basis of audit opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the Company's affairs at 15 November 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers  
Chartered Accountants  
and Registered Auditors

EDINBURGH, 9 February 2000