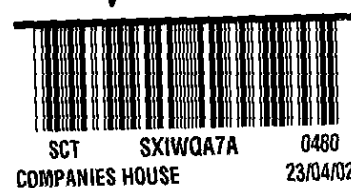


STANDARD LIFE INVESTMENTS



**STANDARD LIFE INVESTMENTS**  
**(CORPORATE FUNDS) LIMITED**

**REPORT AND ACCOUNTS  
FOR THE YEAR ENDED  
15 NOVEMBER 2001**



Registered in Scotland Number SC111488

**REPORT AND ACCOUNTS****STANDARD LIFE INVESTMENTS (CORPORATE FUNDS) LIMITED**

Directors : A M Crombie, FFA (Chairman)  
A C Burton, ACII  
N R Parnaby, MA MSI  
N K Skeoch, BA (Hons) MA MSI  
A P Watt, FRICS

Secretary : P A Stubbs, FFA MSI

**STANDARD LIFE INVESTMENTS (CORPORATE FUNDS) LIMITED****REPORT BY THE DIRECTORS**

The directors submit their Report and Accounts for the year ended 15 November 2001.

**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 2001 of £14,000 (2000 - £18,000).

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

**Principal activities and business review**

The principal activity of the Company is to act as an investment fund manager.

**Economic and Monetary Union**

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

**Directors and their interests**

The names of the current directors of the Company are shown on page 1. There were 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.

**On behalf of the Board of Directors**

**P A Stubbs, Secretary**

Edinburgh, 26 February 2002

**STANDARD LIFE INVESTMENTS (CORPORATE FUNDS) LIMITED**
**PROFIT AND LOSS ACCOUNT**
**for the year ended 15 November 2001**

	Note	2001 £'000	2000 £'000
Turnover	2	256	153
Administrative expenses	3	(269)	(156)
Operating loss		(13)	(3)
Interest receivable and similar income		33	29
<b>Profit on ordinary activities before taxation</b>		<b>20</b>	<b>26</b>
Tax on profit on ordinary activities	6	(6)	(8)
<b>Profit on ordinary activities after taxation</b>		<b>14</b>	<b>18</b>
Balance brought forward		87	69
<b>Balance carried forward</b>		<b>101</b>	<b>87</b>

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 (CORPORATE FUNDS) LIMITED

## BALANCE SHEET

as at 15 November 2001

	Note	2001 £'000	2000 £'000
<b>CURRENT ASSETS</b>			
Debtors	7	78	25
Cash at bank and in hand		495	626
		<u>573</u>	<u>651</u>
<b>CURRENT LIABILITIES</b>			
Creditors - <i>Amounts falling due within one year</i>	8	(72)	(164)
<b>NET CURRENT ASSETS</b>		<u>501</u>	<u>487</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	400	400
Profit and loss account		101	87
<b>TOTAL SHAREHOLDER'S FUNDS</b>	10	<u>501</u>	<u>487</u>

On behalf of the Board of Directors



N R Parnaby Director

Edinburgh, 26 February 2002

# STANDARD LIFE INVESTMENTS (CORPORATE FUNDS) LIMITED

## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES

#### (a) Accounting convention

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

#### (b) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary assets are translated at the rate ruling at the date of the transaction. Transactions in foreign currencies are translated at the rate ruling at the date of the transaction. All differences are taken to the Profit and Loss Account.

### 2. TURNOVER

Turnover, which is stated net of VAT, consists of management remuneration derived from the funds under management.

### 3. ADMINISTRATIVE EXPENSES

The Company has no employees (2000 - nil) and was managed by the parent undertaking. Expenses met by the parent and ultimate parent undertakings are recovered from the Company through administrative and management charges.

### 4. AUDITORS' REMUNERATION

Auditors' remuneration amounting to £1,000 (2000 - £750) is payable by the parent undertaking and recovered in the management charge. Auditors' remuneration in respect of non-audit services during the year amounted to £1,500 (2000 - £1,550).

### 5. DIRECTORS' REMUNERATION

No amounts are payable to the directors in respect of their services to the Company.

### 6. TAXATION

	2001 £'000	2000 £'000
<b><i>UK corporation tax:</i></b>		
Amount payable to group undertakings in respect of group relief	<u>6</u>	<u>8</u>

### 7. DEBTORS

	2001 £'000	2000 £'000
Accrued income	44	25
Amounts due from group undertakings	<u>34</u>	<u>-</u>
	<u>78</u>	<u>25</u>

# STANDARD LIFE INVESTMENTS (CORPORATE FUNDS) LIMITED

## NOTES TO THE ACCOUNTS (Continued)

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

	2001 £'000	2000 £'000
Amounts owed to group undertakings	68	161
Accruals	4	3
	<u>72</u>	<u>164</u>

Included within the amounts owed to group undertakings is an amount of £6,000 (2000 - £8,000) in respect of current year group relief.

### 9. CALLED UP SHARE CAPITAL

	Authorised 2001 & 2000		Allotted, Called Up and Fully Paid 2001 & 2000	
	No.	£'000	No.	£'000
Ordinary Shares of £1 each	<u>1,000,000</u>	<u>1,000</u>	<u>400,000</u>	<u>400</u>

### 10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2001 £'000	2000 £'000
Opening shareholder's funds	487	469
Profit for the year	14	18
<b>Closing shareholder's funds</b>	<u><b>501</b></u>	<u><b>487</b></u>

### 11. CASHFLOW STATEMENT

A Cashflow Statement has not been provided. 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 exemptions 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 this 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 (CORPORATE FUNDS) LIMITED**

### **DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare accounts for each financial year which comply with the United Kingdom Companies Act 1985 and give a true and fair view of the state of affairs of the Company and of the result 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 confirm that suitable accounting policies, applied consistently 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 2001. The directors also confirm that the accounts have been appropriately prepared on a going concern basis and that applicable accounting standards have been followed as described in the Accounting Policies.

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STANDARD LIFE INVESTMENTS (CORPORATE FUNDS) LIMITED**

We have audited the accounts which comprise the profit and loss account, the balance sheet and the related notes.

#### **Respective responsibilities of directors and auditors**

The directors responsibilities for preparing the Report and Accounts in accordance with applicable United Kingdom Law and accounting standards are set out in the statement of directors' responsibilities above.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

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 1985. 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 directors' remuneration and transactions is not disclosed.

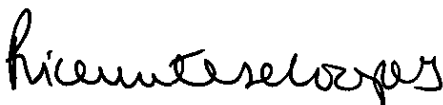
#### **Basis of audit opinion**

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 circumstances of the Company, 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 affairs of the Company as at 15 November 2001 and of the 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, 26 February 2002