

**Standard Chartered Trustees (UK) Limited**

## Directors' Report and Financial Statements

**31 December 2005**

**Registered Number: 3350300**



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## Directors' Report

The directors present their report and audited financial statements of Standard Chartered Trustees (UK) Limited (the "Company") for the year ended 31 December 2005.

### Principal activities

The principal activity of the Company throughout the year was that of corporate trustee of the Standard Chartered Pension Fund and the Standard Chartered Retirement Investment Scheme.

### Business review

The Company has not traded during the current and preceding financial year. The results of the Company are set out on page 7.

### Financial instruments

Financial instruments comprised inter group balances.

### Proposed dividend

The directors do not recommend the payment of a dividend (2004: Nil).

### Directors and directors' interests

The directors who held office during the year were as follows:

Linda Callahan  
David Fletcher (appointed 14 December 2005)  
Andrew Hunter  
Paul Jebson  
John Maxwell  
Averina Snow (resigned 14 December 2005)  
Peter Wood

The directors who held office at the end of the financial year had the following interests in the ordinary shares of Standard Chartered PLC, the ultimate holding company. The directors' interests were as follows:

	Standard Chartered PLC ordinary shares of US\$0.50					
	Shares		Restricted Shares		Options**	
	01.01.2005*	31.12.2005	01.01.2005*	31.12.2005	01.01.2005*	31.12.2005
Linda Callahan	4,815	4,967	-	-	-	-
David Fletcher	17,902	17,902	2,420	2,420	198,559	198,559
Andrew Hunter	100,398	100,458	-	3,141	343,331	164,835
Paul Jebson	2,875	3,729	3,536	6,260	95,439	53,935
John Maxwell	32,900	28,000	-	-	-	-
Peter Wood	24,059	16,000	-	-	-	-

\* or as at date of appointment if different

\*\* The options total includes options over shares under the Standard Chartered 1994 Executive Share Option Scheme, the 2000 Executive Share Option Scheme, the UK Sharesave and International Sharesave Schemes and awards made under the 2001 Performance Share Plan, and the 2004 Deferred Bonus Plan.

During the year, Andrew Hunter was granted awards over 17,301 shares under the 2001 Performance Share Plan, over 3,518 shares under the 2004 Deferred Bonus Plan and over 3,141 shares under the 1997 Restricted Share Scheme. He was also granted an option over 767 shares under the UK Sharesave Scheme. Andrew Hunter exercised options over 9,141 shares under the 1994 Executive Share Option Scheme and over 183,375 shares under the 2000 Executive Share Option Scheme. An award over 1,713 shares lapsed under the 2001 Performance Share Plan and an option over 5,853 shares lapsed under the Supplemental Executive Share Option Scheme.

Paul Jebson was granted an award over 4,175 shares under the 1997 Restricted Share Scheme and exercised an option over 41,504 shares under the 2000 Executive Share Option Scheme and an award over 1,451 shares under the 1997 Restricted Share Scheme.

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the Company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

### Qualifying third party indemnities

The Company granted qualifying third party indemnities to the directors of the Company. The indemnities remain in force at the time of this report.

## **Directors' Report (continued)**

### **Employees**

The Company has no employees.

### **Risk management**

The risk management objectives of the Company are set out in note 8.

### **Political and charitable contributions**

The Company made no political contributions during the year (2004: Nil).

### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that ought to have been taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Auditors**

Pursuant to a shareholders' resolution, the Company is not obliged to reappoint its auditors annually and KPMG Audit Plc will therefore continue in office.

By order of the board



Director

5<sup>th</sup> Floor, 100 Wood Street  
London  
EC2V 7EX

Date: 25 September 2006

## Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU.

The financial statements are required by law to present fairly the financial position and the performance of the Company; the Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing these financial statements, the directors are required to:

- *select suitable accounting policies and then apply them consistently;*
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- 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 enable them to ensure that its 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.

# Independent Auditor's Report to the members of Standard Chartered Trustees (UK) Limited

We have audited the financial statements of Standard Chartered Trustees (UK) Limited for the year ended 31 December 2005 which comprise Income Statement, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Directors' Responsibilities on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 and Article 4 of the IAS Regulation. 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 other transactions is not disclosed.

## Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 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 give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the Company's affairs as at 31 December 2005 and of the Company's result for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and Article 4 of the IAS Regulation.

*KPMG Audit Plc*

KPMG Audit Plc,  
London

Chartered Accountants  
Registered Auditor

Date: 28 September 2006

## **Income Statement**

for the year ended 31 December 2005

During the financial year and the preceding financial year the Company did not trade and received no income and incurred no expenditure. Consequently during those years, the Company made neither a profit nor a loss.

## Balance Sheet

as at 31 December 2005

	Note	2005 \$	2004 \$
<b>Current assets</b>			
Other receivables: amounts owed by group undertakings		4	4
<b>Total assets</b>		4	4
<b>Net assets</b>		4	4
<b>Equity</b>			
Share capital	5	4	4
<b>Total equity</b>		4	4

These accounts were approved by the Board of Directors on 25 September 2006, and were signed on its behalf by:



Director



# Notes to the Financial Statements

for the year ended 31 December 2005

## 1. Principal accounting policies

The Company's financial statements have been prepared and approved by the directors in accordance with *International Financial Reporting Standards as adopted by the EU* ("adopted IFRSs").

### Basis of preparation

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

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in the financial statements, and in preparing an opening IFRS balance sheet at 1 January 2004, for the purpose of the transition to Adopted IFRSs.

### Functional Currency

The Company's functional and presentation currency is the United States dollar (USD).

### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Non monetary transactions are translated at historical exchange rates.

### Share capital

*Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.*

Dividends on ordinary shares are recognised in equity in the period in which they are declared.

## 2. Statement of recognised income and expense and Cash flow statement

During the financial year the Company did not trade and received no income and incurred no expenditure. Consequently, the Company made neither a profit nor a loss and did not receive any cash flows. As such, the Company has not presented a cash flow statement, nor a statement of recognised income and expense.

## 3. Auditor's remuneration

The auditor's remuneration for 2005 and 2004 was borne by Standard Chartered Bank.

## 4. Directors' emoluments

None of the directors received any fees or emoluments from the Company during the year (2004: Nil).

## 5. Capital and reserves

### Share capital

	2005 \$	2004 \$
<b>Authorised</b>		
100 Ordinary shares of £1 each	179	179
<hr/>		
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £1 each	4	4

The nominal value of the authorised and issued shares is denominated in GBP. As a result of the transition to adopted IFRS the share capital has been presented in USD, at the historical rate at the date of issue.

**6. Related party transactions**

**Directors and officers**

None of the directors or officers received any fees or emoluments from the Company during the financial year. Details of the directors' interests are disclosed in the Directors' Report on page 3.

**Company**

The Company's balances with related parties, included in the balance sheet, are listed in the table below:

	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
	<b>Due from</b>	<b>Due from</b>
	<b>holding</b>	<b>holding</b>
	<b>company</b>	<b>company</b>
<b>Assets</b>		
Standard Chartered Bank	4	4

The account above is non interest bearing. There are no other restrictions or conditions placed on this related party balance.

**7. Transition to EU adopted IFRS – First time adoption of International Financial Reporting Standards**

The Company is preparing its financial statements in accordance with adopted IFRS for the first time and consequently has applied IFRS1. The only area that the transition to adopted IFRSs has affected the reported financial position, financial performance and cash flows of the Company is to change the functional currency of the Company from GBP to USD. The Company's transition date is 1 January 2004. The Company prepared its opening IFRS balance sheet on that date.

**8. Risk management**

The Company is not significantly exposed to changes in fair value of its financial instruments from credit, interest and market risk and has not entered into derivative transactions.

**9. Ultimate Holding Company and Parent Undertaking of Larger Group**

The Company is a wholly owned subsidiary undertaking of Standard Chartered Bank a company incorporated in England with limited liability by Royal Charter. The ultimate holding company is Standard Chartered PLC a company registered in England and Wales. The only group in which the results of the Company are consolidated is that headed by Standard Chartered PLC. The consolidated financial statements of this Company are available to the public and may be obtained from its registered office located at 1 Aldermanbury Square, London, EC2V 7SB.