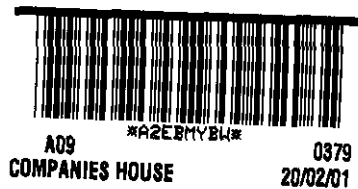


Registered Number 1594721

HALIFAX PENSION NOMINEES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2000



HALIFAX PENSION NOMINEES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

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HALIFAX PENSION NOMINEES LIMITED

DIRECTORS AND COMPANY INFORMATION

DIRECTORS

R J Chapman
M H Ellis
J A Lee
I R Kirkaldy

SECRETARY

D J McPherson

REGISTERED OFFICE

Trinity Road
Halifax
West Yorkshire
HX1 2RG

AUDITORS

KPMG Audit plc
1 The Embankment
Neville Street
Leeds
LS1 4DW

HALIFAX PENSION NOMINEES LIMITED

DIRECTORS' REPORT

The Directors present their Report and Financial Statements for the year ended 31 March 2000.

PRINCIPAL ACTIVITY, RESULTS AND DIVIDEND

The Company has carried out its activity of holding certain properties as nominee on behalf of the Halifax Retirement Fund. The Company has neither received income nor incurred expenditure during the year.

DIRECTORS AND DIRECTORS' INTERESTS

The Directors who served during the year were as follows:

R J Chapman
M H Ellis
R J Garden (resigned 1 February 2000)
J A Lee
I R Kirkaldy (appointed 4 February 2000)

The interests of the directors in the shares of the company are as follows

31 March 2000		31 March 1999	
I R Kirkaldy)		R J Garden)	
M H Ellis)	1	M H Ellis)	1
R J Chapman)		R J Chapman)	
J A Lee)	1	J A Lee)	1

The one ordinary share held jointly by R J Garden and M H Ellis was transferred to I R Kirkaldy and M H Ellis on the resignation of R J Garden and the appointment of Mr I R Kirkaldy.

AUDITORS AND ANNUAL GENERAL MEETING

Pursuant to a resolution passed by the members, the company has elected to dispense with the holding of Annual General Meetings, of laying financial statements and reports before the Company in General Meeting, and with the obligation to reappoint auditors annually.

By order of the board

A handwritten signature in black ink, appearing to be 'D J McPHERSON', written in a cursive style.

D J McPHERSON

SECRETARY

Trinity Road
Halifax
HX1 2RG

21 June 2000

HALIFAX PENSION NOMINEES 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 the profit or loss of the company for that period. In preparing those accounts, 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 accounts comply with the Companies Act 1985. They have a general responsibility for taking steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

REPORT OF THE AUDITORS

TO THE MEMBERS OF HALIFAX PENSION NOMINEES LIMITED

We have audited the accounts on pages 7 and 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 5, the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

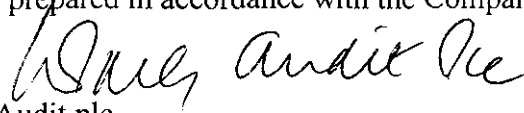
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practice 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 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 financial statements.

OPINION

In our opinion the accounts give a true and fair view of the state of the Company's affairs as at 31 March 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG Audit plc
Chartered Accountants
Registered Auditors

1 The Embankment
Neville Street
Leeds
LS1 4DW

21 June 2000

HALIFAX PENSION NOMINEES LIMITED

BALANCE SHEET AS AT 31 MARCH 2000

	Note	1999 £	1998 £
CURRENT ASSETS			
Cash		<u>2</u>	<u>2</u>
CAPITAL & RESERVES	3		
Called up share capital		<u>2</u>	<u>2</u>

These Financial Statements were approved by the Board of Directors on 21 June 2000 and were signed on its behalf by



R J Chapman
Chairman

The notes on page 8 form part of these Financial Statements.

HALIFAX PENSION NOMINEES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2000

1 PROFIT AND LOSS ACCOUNT

During the financial year and the preceding financial year the Company received no income and incurred no expenditure and consequently there is neither a profit nor a loss to report. All expenses of the Company have been borne either by Halifax plc or Halifax Retirement Fund.

2 ACCOUNTING POLICIES

These Financial Statements have been prepared in accordance with applicable accounting standards and have been drawn up under the historical cost convention.

2 CALLED UP SHARE CAPITAL

	31 March 2000 £	31 March 1999 £
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>