

SCEPTRE NOMINEES LIMITED

Registered number 3802421

**REPORT AND FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2002**



Sceptre Nominees Limited

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Sceptre Nominees Limited

DIRECTORS

M Pattison
I Schouker
K Hampshire

SECRETARY

M Pattison

REGISTERED OFFICE

230 Blackfriars Road
London SE1 8NW

AUDITOR

Ernst & Young LLP
Rolls House
7 Rolls Buildings
Fetter Lane
London EC4A 1NH

BANKERS

Bank of Scotland
41 South Gyle Crescent
Edinburgh EH12 9DR

LEGAL ADVISERS

Slaughter and May
35 Basinghall Street
London EC2V 5DB

ERNST & YOUNG

Sceptre Nominees Limited

DIRECTORS' REPORT

The Directors present their annual report and audited financial statements for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The Company acts solely as a nominee company.

REVIEW OF THE BUSINESS

The Company did not trade during the year and accordingly, made neither a profit nor a loss.

DIRECTORS AND THEIR INTERESTS

The current board of directors is shown on page 1. The directors who served during the year were as follows:

Schouker

M Pattison

Morgan (resigned 6 September 2002)

K Hampshire (appointed 11 September 2002)

None of the directors or their immediate families had any beneficial interest in the share capital of the Company.

By order of the Board



M Pattison

Company Secretary

230 Blackfriars Road
London SE1 8NW

Sceptre Nominees Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company 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;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors are also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCEPTRE NOMINEES LIMITED

We have audited the Company's financial statements for the year ended 31 December 2002 which comprise the Balance Sheet and the related notes 1 to 5. These financial statements have been prepared on the basis of the accounting policy set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Company's 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 auditors' 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 auditor

As described in the Statement of Directors' Responsibilities the Company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

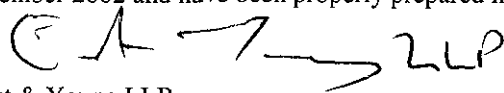
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 affairs of the company as at 31 December 2002 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
London

March 28, 2003

Sceptre Nominees Limited

BALANCE SHEET

As at 31 December 2002

	<i>Note</i>	2002 £	2001 £
CURRENT ASSETS			
Amount due from holding company		2	2
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2</u>	<u>2</u>
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Profit and loss account		-	-
EQUITY SHAREHOLDERS' FUNDS		<u>2</u>	<u>2</u>

Approved by the Board of Directors on 27 March 2003 and signed on its behalf by:

ERNST & YOUNG



Mark Pattison
Director

Sceptre Nominees Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2002

1. ACCOUNTING POLICY

The following accounting policy has been applied consistently in dealing with items that are considered material in relation to the Company's financial statements.

Basis of preparation

These financial statements are prepared in accordance with applicable accounting standards and under the historical cost convention.

The Company has taken advantage of the exemption under FRS 8 "Related Party Transactions" not to disclose transactions between entities where 90% or more of the voting rights are held within the Sharepeople Group Limited group.

2. TRADING

The Company has not traded during the year and has therefore made neither a profit nor a loss. The expenses of the Company have been borne by American Express Financial Services Europe Limited.

DIRECTORS' AND EMPLOYEE REMUNERATION

The Directors did not receive any remuneration during 2002 (2001: £nil). The Company has no employees.

CALLED UP SHARE CAPITAL

	2002		2001	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

	2002		2001	
	Number of shares	£	Number of shares	£
Called up, allotted and fully paid				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

5. PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

The ultimate parent company and ultimate controlling party is American Express Company, a company incorporated in the United States. The smallest group undertaking of which the group is a member is Sharepeople Group Limited, a company incorporated in England and Wales. Copies of these financial statements are available from 230 Blackfriars Road, London, SE1 8NW.