

DIRECTORS' REPORT YEAR ENDED 30 JUNE 2008

THE DIRECTORS PRESENT THEIR REPORT WITH THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR TO 30 JUNE 2008.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of furthering the interests of the members and former members of the Equitable Life Assurance Society.

On incorporation the company took over the assets and liabilities of the Equitable Members Action Group, an unincorporated association which then ceased its activities. The company has indemnified the former Committee of the unincorporated association for any costs or expenses which might arise for their former activities for the association.

DIRECTORS

The directors during the period under review were:

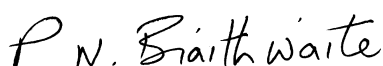
Nicolas Jerome Bellord
Paul Nicholas Braithwaite (*Secretary*)
Christopher Stuart Carnaghan
Alexander Richard Kelvin Henney
Thomas William Lake
Betty McCann
Michael Anthony Neal (*retired July 2008*)
John Arthur Newman
Leslie James Seymour
Colin David Slater

All the directors, being eligible, offer themselves for election at the forthcoming Annual General Meeting.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the directors



Paul Braithwaite
On behalf of the Board

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQUITABLE MEMBERS ACTION GROUP LIMITED YEAR ENDED 30 JUNE 2008

We have audited the financial statements of Equitable Members Action Group Limited for the year ended 30 June 2008, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and on the basis of the accounting policies set out.

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 AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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.

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 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 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.

continued overleaf

Equitable Members Action Group Ltd

Continued from page 1

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 United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of

the state of the company's affairs as at 30 June 2008 and of its loss for the year then ended;

- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

TURNER HAMPTON AUDITORS LIMITED

Chartered Certified Accountants
& Registered Auditors
22 Chertsey Road,
Woking,
Surrey GU21 5AB

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008	2007
		£	£
TURNOVER		240,997	266,507
Administrative expenses		277,249	279,586
OPERATING (LOSS) PROFIT	2	(36,252)	(13,079)
Interest receivable		7,332	7,311
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(28,920)	(5,768)
Tax on loss on ordinary activities		1,497	621
LOSS FOR THE FINANCIAL YEAR		(30,417)	(6,389)

BALANCE SHEET 30 JUNE 2008

	Notes	2008	2007
		£	£
CURRENT ASSETS:			
Debtors	3	7,050	64
Cash at bank		211,679	225,865
		218,729	225,929
CREDITORS: Amounts falling due within one year	4	33,056	9,839
NET CURRENT ASSETS:		185,673	216,090
TOTAL ASSETS LESS CURRENT LIABILITIES:		185,673	216,090
RESERVES:			
Other reserves	8	150,897	150,897
Profit and loss account	8	34,776	65,193
MEMBERS' FUNDS		185,673	216,090

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The directors acknowledge their responsibilities for:

- ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- preparing financial statements 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

Equitable Members Action Group Ltd

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 30 JUNE 2008

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Turnover

The turnover shown in the profit and loss account represents receipts from members as contributions towards the activities of the company.

	2008	2007
2. OPERATING LOSS	£	£
Directors' emoluments and other benefits etc	-	-
3. DEBTORS		
Other debtors	7,050	64
4. CREDITORS: Amounts falling due within one year		
Trade creditors	29,819	1,752
Corporation Tax	1,485	1,409
Other creditors	1,752	8,430

5. TAXATION

The Company's major activity does not constitute a trade and is not taxable. However the deposit income is subject to tax

6. RELATED PARTY TRANSACTIONS

The company was under the control of directors throughout the current and previous year.

During the year ended 30 June 2008, the following transactions with individuals and firms connected with the directors have taken place: Leisure Advertising Limited - Paul Braithwaite £42,475 (2007: £41,440), Burgess Hodgson Chartered Accountants - Colin Slater £110,031 (2007: £56,905), Alex Henny £7,885 (2007: £2,721), Nicolas Bellord £8,004 (2007: £9,720) and Leslie Seymour £2,020 (2007:3,689)

No other transactions with related parties were undertaken such as are required to be disclosed under FRSSE (Effective January 2007).

7. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and each member undertakes to contribute a sum not exceeding £1 under certain circumstances as set out in clause 5 of the Memorandum of Association.

8. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Reserve 2 balance brought forward	Profit and loss account	Total share- holders' funds
	£	£	£
Balance brought forward	150,897	65,193	216,090
Loss for the year	-	(30,417)	(30,417)
Balance carried forward	150,897	34,776	185,673

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

Equitable Members Action Group Ltd

DETAILS OF INCOME & EXPENDITURE

Year to 30 June 2008 Period 3 June 2005 to 30 June 2007
 £ £ £ £

INCOME

Subscriptions	240,996	266,507
Bank Interest received	7,332	7,311
	248,328	273,818

EXPENDITURE

Mailing Costs	17,657	21,719
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Professional Fees

Political Consultants - Bell Pottinger	17,625	29,375
Solicitors - Bindman & Partners (inc. Counsel)	29,130	77,588
Actuarial - Steve Dixon Associates	17,394	27,096
Public Relations - Paul Weir	10,575	
European Lawyer - Christophe Boeraeve	859	
Annual Accounts - B & W Partnership	881	1,175
Auditor - Turner Hampton	588	588

Other Costs

Web-Site Maintenance	6,677	863
Telephone		811
Travelling	2,676	4,548
Meeting Room	2,135	1,112
Sundry expenses	488	196
Bank Charges	148	42

Individuals & Firms connected with the Directors

Leisure Advertising Limited - Paul Braithwaite Services of General Secretary	42,475	41,440
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Burgess Hodgson, Chartered Accountants - Colin Slater
 Reviewing PO's Actuary's Report (July 2007)
 Following Progress & Constitutional & Practical implications of Occupational Pensions Case
 Drafting Dec 2007 Submission to PO including reconsideration of Post Closure Chronology
 Preparing EMAG's response to PO's Main Draft Report & Submission on Redress
 Drafting instructions for EMAG's Counsel and Actuary considering their opinions and
 incorporating aspects in EMAG's Submission
 Meetings with the PO & members of her team
 Attending to political aspects & implications, including meetings with activists and MPs
 Liaison with other groups including reviewing their submissions

69,668 20,111

Reports & Projects

Chronology to Closure		10,077
Regime of Regulation		4,587
Review Legal & Actuarial Reports on Causation		3,910
Causation and Quantification		6,768
Post Closure Chronology & Compensation		4,512
Acquisition of With Profit Annuities by Prudential	7,055	
Major Database update and Mail-shot Project	27,699	
AGM Documentation	719	2,115
Management of EMAG Database and processing contributions	4,534	4,825
Corporation Tax Advice	356	110,031
		56,905

Alex Henney Reviewing Draft PO Report Paper on FSA Betrayal	2,421 5,464	2,721
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Nicholas Bellord Reviewing Draft PO Report Summaries of transcripts Equitable Life v Ernst & Young Review of FOS cases	8,004	2,880 6,840
		9,720

Leslie Seymour European activities	2,020	3,689
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Expenditure	277,248	279,586
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Surplus/Deficit for the Period	-28,920	-5,768
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Taxation	-1,497	-621
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Surplus/Deficit for the Period - after Tax	-30,417	-6,389
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