

**GOODE DURRANT ADMINISTRATION
LIMITED**

Report and Financial Statements

30 April 2002

**Deloitte & Touche
Leeds**



GOODE DURRANT ADMINISTRATION LIMITED

REPORT AND FINANCIAL STATEMENTS 2002

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GOODE DURRANT ADMINISTRATION LIMITED

REPORT AND FINANCIAL STATEMENTS 2002

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

P J Moorhouse FCCA
D Henderson FCIS

SECRETARY

D Henderson FCIS

REGISTERED OFFICE

Norflex House
Allington Way
Darlington
Durham
DL1 4DY

BANKERS

The Royal Bank of Scotland plc
27 Blackwellgate
Darlington
County Durham
DL1 5HX

SOLICITORS

Merritt & Co
The Manor House
83 High Street
Yarm
Cleveland
TS15 1BG

AUDITORS

Deloitte & Touche
Chartered Accountants Leeds

GOODE DURRANT ADMINISTRATION LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 April 2002.

REVIEW OF THE BUSINESS

The company carries on business as a property holding and development company. The directors consider the performance of the company to be satisfactory and remain optimistic about its future prospects.

DIVIDENDS AND TRANSFERS TO RESERVES

The net profit retained for the year attributable to shareholders of the company was £80,790 (2001 restated: £614,778). The directors do not recommend the payment of a dividend (2001: £nil).

DIRECTORS AND THEIR INTERESTS

The directors who served during the year are shown on page 1.

No director had any interest in the share capital of the company at 1 May 2001 or 30 April 2002. P J Moorhouse is also a director of the ultimate parent company, Northgate plc. His interests in the shares of Northgate plc are disclosed in that company's financial statements.

The interests of the other director in the shares of Northgate plc were as follows. All interests were beneficial:

D Henderson	30 April 2002 No.	1 May 2001 No.
New Share Option Scheme		
- Number of options	8,000	3,000
Long Term Incentive Scheme		
- Number of options	5,700	7,200
5p ordinary shares	313	2,200
3.5% preference shares	1,375	1,375

Approved by the Board of Directors
and signed on behalf of the Board



D Henderson FCIS
Secretary

27 February

2003

GOODE DURRANT ADMINISTRATION LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 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;
- state whether applicable accounting standards have been followed; 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

Approved by the Board of Directors
and signed on behalf of the Board



D Henderson FCIS
Secretary

27 February

2003

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GOODE DURRANT ADMINISTRATION LIMITED

We have audited the financial statements of Goode Durrant Administration Limited for the year ended 30 April 2002 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 18. 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 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 auditors

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 United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

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 the company's affairs as at 30 April 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants and
Registered Auditors
Leeds

27 February

2003

GOODE DURRANT ADMINISTRATION

PROFIT AND LOSS ACCOUNT

Year ended 30 April 2002

	Note	2002		2001 Restated (Note 13)	
		£	£	£	£
TURNOVER: continuing operations	2		30,000		30,000
Administrative income			45,436		46,271
Other operating income	3		15,600		63,763
OPERATING PROFIT: continuing operations	4		<u>91,036</u>		<u>140,034</u>
Profit on disposal of fixed assets			-		520,207
Interest payable and similar charges	6		<u>87</u>		<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			91,123		660,241
Tax on profit on ordinary activities	7		(10,333)		(45,463)
PROFIT FOR THE FINANCIAL YEAR TRANSFERRED TO RESERVES	15		<u><u>80,790</u></u>		<u><u>614,778</u></u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the 12 months ended 30th April 2002

	2002	2001 Restated (Note 13)
	£	£
Profit for the financial year	80,790	<u>614,778</u>
Prior period adjustment (see note 13)	8,000	
Total recognised gains and losses for the financial year	<u><u>88,790</u></u>	

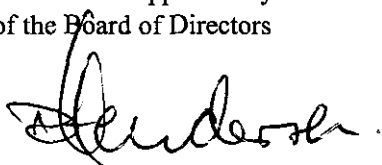
GOODE DURRANT ADMINISTRATION

BALANCE SHEET

30 April 2002

	Note	2002 £	2001 Restated (Note 13) £
FIXED ASSETS			
Tangible Assets	8	41,993	30,681
Investments	9	1,174,299	1,174,299
		<u>1,216,292</u>	<u>1,204,980</u>
CURRENT ASSETS			
Debtors due within one year	10	3,290,781	3,455,512
Debtors due after more than one year	10	348,067	348,067
Cash at bank and in hand		228,196	133
		<u>3,867,044</u>	<u>3,803,712</u>
CREDITORS: amounts falling due within one year	11	(137,148)	(148,936)
NET CURRENT ASSETS		<u>3,729,896</u>	<u>3,654,776</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,946,188</u>	<u>4,859,756</u>
CREDITORS: amounts falling due after more than one year	12	(1,453,835)	(1,455,193)
PROVISIONS FOR LIABILITIES AND CHARGES	13	1,000	8,000
		<u>3,493,353</u>	<u>3,412,563</u>
CAPITAL AND RESERVES			
Called up share capital	14	707,500	707,500
Profit and loss account	15	2,785,853	2,705,063
TOTAL EQUITY SHAREHOLDERS' FUNDS	16	<u>3,493,353</u>	<u>3,412,563</u>

The financial statements were approved by the Board of Directors on 27 February 2003.
Signed on behalf of the Board of Directors



GOODE DURRANT ADMINISTRATION LIMITED

NOTES TO THE ACCOUNTS

Year ended 30 April 2002

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Tangible fixed assets and depreciation

Depreciation is provided on cost in equal annual installments over the estimated useful lives of the assets. All fixed assets are depreciated on a straight line basis at 25% - 33% per annum.

Deferred taxation

FRS 19 Deferred tax has been adopted in the year.

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Investments

- i) Investments held as current assets are shown at the lower of cost and market value
- ii) Shares in group companies are stated at cost less provision of permanent diminution in value
- iii) The parent company's shares held by Kleinwort Benson (Guernsey) Trustees Limited as trustees of the Goode Durrant Employees' Trust are included in the balance sheet as a fixed asset investment until such time as the interest in the shares is transferred unconditionally to the employees. The shares are held as a hedge against the company's obligations under the Long Term Incentive Plan and accordingly the shares purchased are recorded at cost. The cost of meeting these obligations is charged to the profit and loss account on a systematic basis over the period of service in respect of which options are granted.

Cashflow

The company is exempt from the requirement of FRS1 to include a cashflow statement as part of its accounts as it is a wholly owned subsidiary of a group preparing consolidated accounts, which include a consolidated cashflow statement.

2. TURNOVER

Turnover and pre-tax profit, all of which arises in the United Kingdom, includes management fees and similar charges made to the parent company and fellow subsidiary companies.

GOODE DURRANT ADMINISTRATION

NOTES TO THE ACCOUNTS

Year ended 30 April 2002

3 OTHER OPERATING INCOME

	2002	2001
	£	£
Sundry Income	<u>15,600</u>	<u>63,763</u>

4 OPERATING PROFIT

	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation and amortisation		
Owned assets	14,654	29,325
Auditors' remuneration - audit fees	<u>3,800</u>	<u>3,800</u>

5 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

No fees, remuneration or other emoluments were paid to directors in respect of their services to the company during the year or the prior year. There were no employees (2001: nil).

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2002	2001
	£	£
Bank loan, overdraft and other loans repayable within five years	<u>87</u>	<u>-</u>

GOODE DURRANT ADMINISTRATION

NOTES TO THE ACCOUNTS

Year ended 30 April 2002

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002	2001 Restated (Note 13)
	£	£
UK Corporation tax on profits for the period	-	36,000
Group relief for the current year	3,000	-
Over provision of corporation tax for prior years	(34,667)	1,463
Group relief adjustment for prior years	35,000	(1,000)
Total current taxation	<u>3,333</u>	<u>36,463</u>
Deferred taxation		
Origination and reversal of timing differences	7,000	9,000
	<u>10,333</u>	<u>45,463</u>

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2002 £	2001 £
Profit on ordinary activities before tax	<u>91,123</u>	<u>660,241</u>
Tax on profit on ordinary activities at the standard rate	27,337	198,072
Effect of:		
Expenses not deductible for tax purposes	(18,224)	(153,417)
Capital allowances for the period in excess of depreciation	(7,000)	(9,000)
Adjustment to tax charge in respect of previous periods	333	463
Other	887	345
	<u>3,333</u>	<u>36,463</u>

GOODE DURRANT ADMINISTRATION

NOTES TO THE ACCOUNTS

Year ended 30 April 2002

8 TANGIBLE FIXED ASSETS

	Motor vehicles £	Furniture and Equip. £	Total £
Cost			
At 1 May 2001	49,273	24,536	73,809
Additions	-	38,440	38,440
Disposals	(49,273)	-	(49,273)
At 30 April 2002	-	62,976	62,976
Accumulated depreciation			
At 1 May 2001	24,740	18,388	43,128
Charge for the year	12,059	2,595	14,654
Disposals	(36,799)	-	(36,799)
At 30 April 2002	-	20,983	20,983
Net book value			
At 30 April 2002	-	41,993	41,993
At 30 April 2001	24,533	6,148	30,681

GOODE DURRANT ADMINISTRATION

NOTES TO THE ACCOUNTS

Year ended 30 April 2002

9 INVESTMENTS HELD AS FIXED ASSETS

	Shares in parent company £	Shares in subsidiary undertakings £	Total £
Cost			
1 May 2001 and 30 April 2002	382,300	1,706,927	2,089,227
Provisions			
1 May 2001 and 30 April 2002	212,316	702,612	914,928
Net book value			
1 May 2001 and 30 April 2002	169,984	1,004,315	1,174,299

Shares in parent company

At 30 April 2002 81,634 ordinary shares in Northgate plc with a market value of £410,619 were held by Kleinwort Benson (Guernsey) Trustees Limited as a hedge against the group's obligations under the Long term Incentive Plan ("The Plan"). Further details of the Plan are outlined in the Remuneration Report on pages 12 to 16 in the accounts of Northgate plc.

Shares in subsidiary undertakings

The following were the principal subsidiaries at 30 April 2002, all of which are incorporated in Great Britain and registered in England and Wales. Shareholdings are 100% of the ordinary share capital. These subsidiaries are no longer trading.

United Kingdom Guarantee Corporation Limited
Goode Durrant & Murray Limited
British Overseas Stores Limited
Goode Durrant Trustees Limited

Group accounts are not prepared as the company is a wholly owned subsidiary of Northgate plc.

In the opinion of the directors, the value of the company's investment in its subsidiaries is not less than the amount at which it is stated in the balance sheet.

GOODE DURRANT ADMINISTRATION

NOTES TO THE ACCOUNTS

Year ended 30 April 2002

10 DEBTORS

	2002 £	2001 £
Amounts owed by parent company	3,256,157	3,424,506
Amounts owed by group undertakings	16,600	27,390
Other debtors	13,219	3,616
Prepayments and accrued income	4,805	-
	<u>3,290,781</u>	<u>3,455,512</u>
Due after more than one year:	<u>348,067</u>	<u>348,067</u>
	<u>3,638,848</u>	<u>3,803,579</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Bank overdraft	-	10,102
Trade creditors	57,239	2,725
Amounts owed to fellow subsidiary undertakings	41,909	-
Corporation tax	-	106,578
Taxation and social security	-	24,531
Group relief	38,000	5,000
	<u>137,148</u>	<u>148,936</u>

12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002 £	2001 £
Amounts owed to subsidiary companies due between two to five years	<u>1,453,835</u>	<u>1,455,193</u>

GOODE DURRANT ADMINISTRATION

NOTES TO THE ACCOUNTS

Year ended 30 April 2002

13 PROVISIONS FOR LIABILITIES AND CHARGES

	2002	2001
	£	Restated £
Deferred tax provided		
Accelerated capital allowances	1,000	8,000
	<u>1,000</u>	<u>8,000</u>
Movement in deferred tax		
Balance at 1 May 2001	8,000	
Credited in profit and loss account	(7,000)	
	<u>1,000</u>	
Balance at 30 April 2002	<u>1,000</u>	

The adoption of FRS19 has required changes in the method of accounting for deferred tax assets and liabilities. These changes have resulted in a prior period adjustment of £8,000 in respect of deferred tax assets and in a restatement of the 2001 figures. The figure for tax on profit on ordinary activities for 2001 has been restated from the previously reported amount of £36,463 to £45,463, an increased tax charge of £9,000.

The impact on the current year is a reduction in the tax charge of £1,000.

14 CALLED UP SHARE CAPITAL

	2002	2001
	£	£
Authorised		
1,000 ordinary shares of £1 each	<u>800,000</u>	<u>800,000</u>
Allotted, called up and fully paid		
707,500 ordinary shares of £1 each	<u>707,500</u>	<u>707,500</u>

15 RESERVES

Profit and loss account	
At 1 May 2001	£
As previously reported	2,697,063
Prior period adjustment (see note 13)	8,000
As restated	<u>2,705,063</u>
Profit for the financial year	80,790
At 30 April 2002	<u>2,785,853</u>

GOODE DURRANT ADMINISTRATION

NOTES TO THE ACCOUNTS

Year ended 30 April 2002

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002 £	2001 £
Profit for the financial year	80,790	614,778
Net increase on shareholders' funds	80,790	614,778
Opening shareholders' funds		
As previously reported	3,404,563	2,780,785
Prior period adjustment (see note 13)	8,000	17,000
As restated	3,412,563	2,797,785
Closing shareholders' funds	3,493,353	3,412,563

17 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption contained in FRS8 not to disclose details of related party transactions with other group companies as it is a wholly owned subsidiary.

18 ULTIMATE PARENT COMPANY

The ultimate parent company is Northgate plc and the immediate parent company is Northgate Vehicle Hire Limited. Both of these companies are registered in England and Wales. Copies of the financial statements of both companies can be obtained from Norflex House, Allington Way, Darlington, County Durham, DL1 4DY.