

Company Registration No.59051

Goode Durrant Administration Limited

Report and Financial Statements

30 April 2003

**Deloitte & Touche LLP
Leeds**



Goode Durrant Administration Limited

REPORT AND FINANCIAL STATEMENTS 2003

CONTENTS

Page

| | |
|--|---|
| Officers and professional advisers | 1 |
| Directors' report | 2 |
| Statement of directors' responsibilities | 3 |
| Independent auditors' report | 4 |
| Profit & Loss account | 5 |
| Balance Sheet | 6 |
| Notes to the accounts | 7 |

Goode Durrant Administration Limited

REPORT AND FINANCIAL STATEMENTS 2003

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D Henderson FCIS
P J Moorhouse FCCA (resigned 10 February 2003)
G T Murray ACA (appointed 10 February 2003)

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 LLP
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 2003.

PRINCIPAL ACTIVITY

The company's principal activity was that of property holding and development.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The directors consider the performance of the company to be satisfactory and remain optimistic about its future prospects.

DIVIDENDS AND TRANSFERS TO RESERVES

The profit on ordinary activities after taxation for the financial year was £10,923 (2002: £80,790). The directors proposed the payment of a dividend of £2,490,400 (2002: £Nil), leaving the retained loss of £2,479,477 (2002: profit of £80,790) to be withdrawn from reserves.

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 2002 or 30 April 2003. P J Moorhouse and G T Murray are also directors of the ultimate parent company, Northgate plc. Their interests in the share capital of Northgate plc are disclosed in that company's financial statements.

The interests of the other director(s) in the shares of Northgate plc were as follows. All interests were beneficial and related to ordinary shares of 5p each:

| | 30 April 2003 | 1 May 2002 |
|----------------------------|---------------|------------|
| D Henderson | | |
| Share Option Scheme | | |
| Number of options | 11,000 | 8,000 |
| Long Term Incentive Scheme | | |
| Number of options | - | 5,700 |
| Shares | 3,789 | 1,095 |
| 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

24 October 2003

Goode Durrant Administration Limited

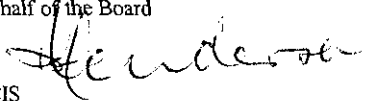
STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 the system of internal control 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

**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 2003 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses, and the related notes 1 to 20. 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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte + Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Leeds

21 November 2003

Goode Durrant Administration Limited

PROFIT AND LOSS ACCOUNT
Year ended 30 April 2003

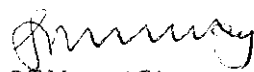
| | Note | 2003 £ | 2002 £ |
|--|-----------|--------------------|---------------|
| TURNOVER: continuing operations | 2 | - | 30,000 |
| Administrative income | | - | 45,436 |
| Other operating income | 3 | 19,280 | 15,600 |
| Other operating charges | | (9,267) | - |
| | | <hr/> | <hr/> |
| OPERATING PROFIT: continuing operations | 4 | 10,013 | 91,036 |
| Interest receivable and similar income | 6 | - | 87 |
| | | <hr/> | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 10,013 | 91,123 |
| Tax on profit on ordinary activities | 7 | 910 | (10,333) |
| | | <hr/> | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | 10,923 | 80,790 |
| Dividends | 8 | (2,490,400) | - |
| | | <hr/> | <hr/> |
| RETAINED PROFIT TRANSFERRED TO RESERVES | 16 | <u>(2,479,477)</u> | <u>80,790</u> |

There are no recognised gains and losses for the current financial year and the preceding financial year other than as stated above. Therefore, no statement of total recognised gains and losses has been presented.

Goode Durrant Administration Limited
BALANCE SHEET
30 April 2003

| | Note | 2003 £ | 2002 £ |
|--|------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible Assets | 9 | - | 41,993 |
| Investments | 10 | 1,004,315 | 1,174,299 |
| | | <u>1,004,315</u> | <u>1,216,292</u> |
| CURRENT ASSETS | | | |
| Debtors due within one year | 11 | 3,868,769 | 3,290,781 |
| Debtors due after more than one year | 11 | - | 348,067 |
| Cash at bank and in hand | | 201,493 | 228,196 |
| | | <u>4,070,262</u> | <u>3,867,044</u> |
| CREDITORS: amounts falling due within one year | 12 | (2,612,354) | (137,148) |
| NET CURRENT ASSETS | | <u>1,457,908</u> | <u>3,729,896</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>2,462,223</u> | <u>4,946,188</u> |
| CREDITORS: amounts falling due after more than one year | 13 | (1,448,347) | (1,453,835) |
| PROVISIONS FOR LIABILITIES AND CHARGES | 14 | - | 1,000 |
| | | <u>1,013,876</u> | <u>3,493,353</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 15 | 707,500 | 707,500 |
| Profit and loss account | 16 | 306,376 | 2,785,853 |
| TOTAL EQUITY SHAREHOLDERS' FUNDS | | <u>1,013,876</u> | <u>3,493,353</u> |

The financial statements were approved by the Board of Directors on 24 October 2003.
Signed on behalf of the Board of Directors


G T Murray ACA
Director

Goode Durrant Administration Limited

NOTES TO THE ACCOUNTS

Year ended 30 April 2003

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 instalments 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

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 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, all of which arises in the United Kingdom, includes management fees and similar charges made to the parent and fellow subsidiaries.

Goode Durrant Administration Limited

NOTES TO THE ACCOUNTS
Year ended 30 April 2003

3 OTHER OPERATING INCOME

| | 2003 | 2002 |
|---------------|--------|--------|
| | £ | £ |
| Sundry Income | 19,280 | 15,600 |

4 OPERATING PROFIT

| | 2003 | 2002 |
|---|-------|--------|
| | £ | £ |
| Operating profit is stated after charging: | | |
| Depreciation and amortisation | | |
| Owned assets | 8,357 | 14,654 |
| Auditors' remuneration - audit fees | - | 3,800 |

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 (2002: nil).

P J Moorhouse, S J Smith and G T Murray are also directors of Northgate plc, the ultimate parent company and their individual remuneration totalling £576,000 and contributions to the group defined contribution pension schemes totalling £45,000 is as disclosed in that company's accounts in respect of services to all group companies. It is not practicable to allocate their remuneration between their services as executives of Northgate plc and their services to other group companies.

6 INTEREST RECEIVABLE AND SIMILAR INCOME

| | 2003 | 2002 |
|--------------------------|------|------|
| | £ | £ |
| Bank interest receivable | - | 87 |

Goode Durrant Administration Limited
NOTES TO THE ACCOUNTS
Year ended 30 April 2003
7 TAX ON PROFIT ON ORDINARY ACTIVITIES

| | 2003 £ | 2002 £ |
|--|-----------|-----------|
| UK Corporation tax on profits for the period | 1,000 | - |
| Group relief for the current year | - | 3,000 |
| Over/ (under) provision of corporation tax for prior years | 90 | (34,667) |
| Group relief adjustment for prior years | (3,000) | 35,000 |
| Total current taxation | (1,910) | 3,333 |
| Deferred taxation | | |
| Origination and reversal of timing differences | 1,000 | 7,000 |
| | (910) | 10,333 |

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

The differences are explained below:

| | 2003 £ | 2002 £ |
|---|-----------|-----------|
| Profit on ordinary activities before tax | 10,013 | 91,123 |
| Tax on profit on ordinary activities at the standard rate | 3,004 | 27,337 |
| Expenses not deductible for tax purposes | - | (18,224) |
| Capital allowances for the period in excess of depreciation | (1,000) | (7,000) |
| Adjustment to tax charge in respect of previous periods | (2,910) | 333 |
| Other | (1,004) | 887 |
| | (1,910) | 3,333 |

8 DIVIDENDS

| | 2003 £ | 2002 £ |
|--|-----------|-----------|
| Final proposed dividend of £3.52 per ordinary share (2002: £Nil) | 2,490,400 | - |

9 TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ |
|---------------------------------|-------------------------------|
| Cost | |
| At 1 May 2002 | 62,976 |
| Transfer to parent company | (62,976) |
| At 30 April 2003 | - |
| Accumulated depreciation | |
| At 1 May 2002 | 20,983 |
| Charge for the year | 8,357 |
| Transfer to parent company | (29,340) |
| At 30 April 2003 | - |
| Net book value | |
| At 30 April 2003 | - |
| At 30 April 2002 | 41,993 |

Goode Durrant Administration Limited

NOTES TO THE ACCOUNTS
Year ended 30 April 2003

10 INVESTMENTS

INVESTMENTS HELD AS FIXED ASSETS

| | Shares in ultimate parent company £ | Shares in subsidiary undertakings £ | Total £ |
|-----------------------|--|--|------------|
| Cost | | | |
| At 1 May 2002 | 382,300 | 1,706,927 | 2,089,227 |
| Disposal | (382,300) | - | (382,300) |
| At 30 April 2003 | - | 1,706,927 | 1,706,927 |
| Provisions | | | |
| At 1 May 2002 | 212,316 | 702,612 | 914,928 |
| Disposal | (212,316) | - | (212,316) |
| At 30 April 2003 | - | 702,612 | 702,612 |
| Net book value | | | |
| At 30 April 2003 | - | 1,004,315 | 1,004,315 |
| At 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 15 in the accounts of Northgate plc. On the 30 April 2003 the shares were sold to Northgate plc at their carrying value.

Shares in subsidiary undertakings

The following were the principal subsidiaries at 30 April 2003. 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 Vehicle Hire Limited.

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 Limited

NOTES TO THE ACCOUNTS
Year ended 30 April 2003

11 DEBTORS

| | 2003 £ | 2002 £ |
|--|------------------|------------------|
| Amounts owed by group undertakings | 3,520,702 | 3,272,757 |
| Prepayments and accrued income | - | 4,805 |
| Other debtors | - | 13,219 |
| | <u>3,520,702</u> | <u>3,290,781</u> |
| Due after more than one year: group undertakings | 348,067 | 348,067 |
| | <u>3,868,769</u> | <u>3,638,848</u> |

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2003 £ | 2002 £ |
|------------------------------------|------------------|----------------|
| Trade creditors | 8,989 | - |
| Amounts owed to group undertakings | 106,190 | 41,909 |
| Corporation tax | 1,000 | - |
| Taxation and social security | 5,775 | - |
| Accruals and deferred income | - | 57,239 |
| Group Relief | - | 38,000 |
| Proposed dividend | 2,490,400 | - |
| | <u>2,612,354</u> | <u>137,148</u> |

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2003 £ | 2002 £ |
|---|------------------|------------------|
| Amounts owed to fellow subsidiary undertakings due between two and five years | <u>1,448,347</u> | <u>1,453,835</u> |

Goode Durrant Administration Limited

NOTES TO THE ACCOUNTS
Year ended 30 April 2003

14 PROVISIONS FOR LIABILITIES AND CHARGES

| | 2003 £ | 2002 £ |
|-------------------------------------|-----------|--------------|
| Deferred tax provided | | |
| Accelerated capital allowances | - | 1,000 |
| | <u>-</u> | <u>1,000</u> |
| Movement in deferred tax | | |
| Balance at 1 May 2002 | 1,000 | |
| Debited in profit and loss account | (1,000) | |
| | <u>-</u> | |
| Balance at 30 April 2003 | <u>-</u> | |

15 CALLED UP SHARE CAPITAL

| | 2003 £ | 2002 £ |
|---|----------------|----------------|
| Authorised | | |
| 800,000 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> |

16 RESERVES

| | £ |
|--------------------------------|----------------|
| Profit and loss account | |
| At 1 May 2002 | 2,785,853 |
| Loss for the financial year | (2,479,477) |
| | <u>306,376</u> |
| At 30 April 2003 | <u>306,376</u> |

Goode Durrant Administration Limited

NOTES TO THE ACCOUNTS
Year ended 30 April 2003

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2003 £ | 2002 £ |
|--|------------------|------------------|
| Profit for the financial year | 10,923 | 80,790 |
| Dividends | (2,490,400) | - |
| Net (reduction in) / addition to shareholders' funds | (2,479,477) | 80,790 |
| Opening shareholders' funds | 3,493,353 | 3,412,563 |
| Closing shareholders' funds | <u>1,013,876</u> | <u>3,493,353</u> |

18 CONTINGENT LIABILITIES

There are unlimited cross guarantees in respect of bank borrowings by group companies within the Northgate Vehicle Hire Limited group to each other. The total amount outstanding at 30 April 2003 was £57,532,000 (2002: £57,181,000).

19 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.

20 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. The parent undertaking of the largest group which includes the company and for which group financial statements are prepared is Northgate Plc. The parent undertaking of the smallest such group is Northgate Vehicle Hire Limited. Copies of the financial statements of both companies can be obtained from Norflex House, Allington Way, Darlington County Durham, DL1 4DY.