

GLYTHORNE LIMITED

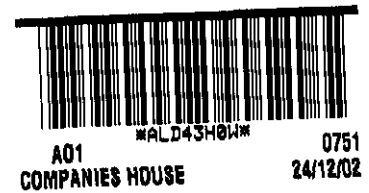
**REPORT AND ACCOUNTS
28 FEBRUARY 2002**

Registered office

71 Lombard Street
London EC3P 3BS

Registered number

1596028



Directors

J L Davies (Chairman)
M P Kilbee
D K Potts
S I Rice

Company Secretary

R A Connor

Member of Lloyds TSB Group

GLYTHORNE LIMITED

Report of the directors

Principal activity

The principal activity of the company is the leasing of vehicles, plant and equipment.

Results

The profit after taxation for the year ended 28 February 2002 amounted to £72,000 (Restated 2001: profit £3,000) as set out in the profit and loss account on page 5.

Directors

The names of the directors of the company are shown on page 1.

By order of the board

A handwritten signature in black ink, appearing to read 'R A Connor', with a long, flowing horizontal stroke extending to the right.

R A Connor
Secretary
20 December 2002

GLYTHORNE LIMITED

AUDITORS' REPORT TO THE MEMBERS OF GLYTHORNE LIMITED

We have audited the financial statements on pages 5 to 14 which have been prepared under the accounting policies set out on pages 7 and 8.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described below, the financial statements for each financial year which give a true and fair view of the State of Affairs of the Company and of its 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 with the exception of the changes arising on the adoption of a new accounting standard in the year as explained on page 7 under Note 1, 'Accounting Policies'.
- 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 a 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 United Kingdom 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.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This opinion has been prepared for and only for the company's members in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 United Kingdom 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 is not disclosed.

GLYTHORNE LIMITED

AUDITORS' REPORT TO THE MEMBERS OF GLYTHORNE LIMITED

Respective responsibilities of directors and auditors (continued)

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with 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 at 28 February 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Southampton
20 December 2002

GLYTHORNE LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 28 FEBRUARY 2002

		2002	Restated 2001
	Note	£000	£000
Turnover	1 (b)	274	396
Interest payable		(146)	(292)
		<hr/>	<hr/>
Gross profit		128	104
Other operating income		-	5
Other operating (charges)		(25)	(114)
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation	2	103	(5)
Taxation (charge)/credit on profit/(loss) on ordinary activities	3	(31)	8
		<hr/>	<hr/>
Profit/(loss) on ordinary activities after taxation		72	3
Profit brought forward		570	567
Dividend – non equity	4	-	-
		<hr/>	<hr/>
Retained profit carried forward		<u>642</u>	<u>570</u>

Reconciliation of movement in shareholders' funds

Shareholders' funds brought forward	570	567
Prior year adjustment for FRS19	0	8
	<hr/>	<hr/>
At start of year as restated	570	575
Retained profit/(loss) for year	72	(5)
	<hr/>	<hr/>
Shareholders' funds carried forward	<u>642</u>	<u>570</u>

There are no recognised gains or losses other than those reported above.
All operations are continuing.

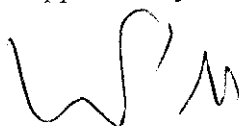
The notes on pages 7 to 14 form part of these accounts.

GLYTHORNE LIMITED

BALANCE SHEET – 28 FEBRUARY 2002

	Note	2002 £000	Restated 2001 £000
CURRENT ASSETS:			
DEBTORS: amounts falling due within one year	5	609	1,785
DEFERRED TAXATION	7	313	239
CURRENT LIABILITIES:			
CREDITORS: amounts falling due within one year	6	(1,580)	(3,467)
NET CURRENT LIABILITIES		(658)	(1,443)
DEBTORS: amounts falling due after more than one year	5	<u>1,300</u>	<u>2,013</u>
NET ASSETS		<u>642</u>	<u>570</u>
CAPITAL AND RESERVES			
Called-up share capital	8	-	-
Profit and loss account		642	570
Shareholders' Funds		<u>642</u>	<u>570</u>

Approved by the directors on 20 December 2002 and signed on their behalf by:



D K Potts
Director

The notes on pages 7 to 14 form part of these accounts.

GLYTHORNE LIMITED

NOTES TO THE ACCOUNTS – 28 FEBRUARY 2002

1. Accounting Policies

(a) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. During the year the company has adopted Financial Reporting Standard 18 "Accounting Policies"; the effect has not been significant. The company has also implemented the requirements of Financial Reporting Standard 19 "Deferred Tax".

(b) Turnover

Turnover during the year represents net rentals receivable, being the gross rentals receivable less the capital element, and profit or loss on disposals of the assets and any termination income.

(c) Income recognition

Income from leases is credited to the profit and loss account in proportion to the net cash invested using the investment period method.

(d) Finance lease receivable

Finance lease receivables are included in the balance sheet at the amount of the net investment in the lease, which is defined as total future rentals receivable less finance charges allocated to future periods.

(e) Deferred taxation

FRS19 'Deferred Tax' has been adopted in the preparation of these accounts. The Standard requires full provision to be made for deferred tax arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in tax computations, where future payment of receipt is more likely than not to occur. In adopting FRS19, the company has chosen not to discount deferred tax assets and liabilities. The comparative figures for the prior period have been restated to reflect the impact of FRS 19. This change in accounting policy has been reflected by means of a prior year adjustment.

GLYTHORNE LIMITED

NOTES TO THE ACCOUNTS – 28 FEBRUARY 2002

1. Accounting Policies (continued)

(f) Cash flow statement

A cash flow statement is not presented as the company is a wholly owned subsidiary undertaking of Lloyds TSB Group plc, whose accounts include a consolidated cash flow statement dealing with the cash flows of the group.

(g) Related party disclosures

The company is exempted from reporting intra group related party transactions in accordance with Financial Reporting Standard 8 because it is a wholly owned subsidiary of Lloyds TSB Group plc.

2. Profit/(Loss) before taxation

Profit/(Loss) before taxation is stated after charging the following:

	2002 £000	2001 £000
Directors' emoluments	-	-
Auditors' remuneration	-	-
Interest payable on loans from fellow subsidiary companies	146	292
Bad and doubtful debts	-	46

Auditors' remuneration has been borne by a group company.

There were no employees (2001: Nil).

No remuneration was paid or is payable by the company to the directors. The directors are employed by other companies in the Lloyds TSB group and consider their services to this company as incidental to their other activities within the group.

GLYTHORNE LIMITED

NOTES TO THE ACCOUNTS – 28 FEBRUARY 2002

3. Taxation

	2002	Restated 2001
	£000	£000
(a) Analysis of charge in the year		
The charge is made up as follows:		
Current tax:		
Group relief (payable) on profits of the year	(111)	(213)
Adjustments in respect of previous periods	6	(4)
Total current tax (note 3b)	<u>(105)</u>	<u>(217)</u>
Deferred tax:		
Origination and reversal of timing differences	74	225
Total deferred tax	<u>74</u>	<u>225</u>
Total tax (charge)/credit on profit on ordinary activities	(31)	8

(b) Factors affecting the tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30 per cent). The differences are explained below:

	2002	Restated 2001
	£000	£000
Profit before tax	103	(5)
Profit multiplied by standard rate of corporation tax In the UK of 30% (2001:30%)	31	(1)
Effects of:		
Temporary differences between taxable and accounting profit:		
Accelerated capital allowances	80	217
Other timing differences	0	0
Prior year (charge)/credit	(6)	12
Permanent differences	0	(3)
Current tax charge for year (note 3a)	<u>105</u>	<u>225</u>

GLYTHORNE LIMITED

NOTES TO THE ACCOUNTS – 28 FEBRUARY 2002

4. Dividends

	2002	2001
	£	£
Non-equity - Preference		
Paid: 1.5p (2000: 1.5p) per share	9	9

5. Debtors

	2002	2001
	£000	£000
Amounts falling due within one year:		
Rentals receivable on leased assets	609	1,785
Other debtors	0	0

	<u>609</u>	<u>1,785</u>
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Amounts falling due after more than one year:

Rentals receivable on leased assets	<u>1,300</u>	<u>2,013</u>
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The cost of assets acquired during the year for the purpose of letting under finance leases amounted to £145,000 (2001: £646,000)

The value of finance lease rentals receivable in the year amounted to £1,314,000 (2001: £2,373,000).

6. Creditors

	2002	2001
	£000	£000
Amounts falling due within one year:		
Accruals and deferred income	148	456
Amounts due to immediate parent company	1,185	2,647
Other Creditors	202	125
Group relief payable	45	239
	<u>1,580</u>	<u>3,467</u>

GLYTHORNE LIMITED

NOTES TO THE ACCOUNTS – 28 FEBRUARY 2002

7. Deferred Taxation

The movement on the deferred tax asset is as follows:

	2002	Restated 2001
	£000	£000
At start of year – as previously stated	239	14
Prior year adjustment for FRS19	0	8
	<hr/>	<hr/>
At start of year as restated	239	22
Profit and loss account	74	217
	<hr/>	<hr/>
At end of year	313	239

The deferred tax asset provided for is made up as follows:

Accelerated capital allowances	305	231
Other timing differences	8	8
	<hr/>	<hr/>
	313	239

GLYTHORNE LIMITED

NOTES TO THE ACCOUNTS – 28 FEBRUARY 2002

8. Called Up Share Capital

	<u>2002</u>		<u>2001</u>	
	<u>Authorised</u>	Allotted Called-up and fully paid	<u>Authorised</u>	Allotted Called-up and fully paid
	£	£	£	£
Ordinary shares of 25p each - non-voting	847	47	847	47
6% Preference shares of 25p each	153	153	153	153
	<u>1,000</u>	<u>200</u>	<u>1,000</u>	<u>200</u>

The irredeemable preference shares carry a dividend of 6% per annum, payable half yearly on 20 May and 20 November. The dividend rights are non-cumulative. On a return of assets, whether in a winding up or otherwise, there is a right to a return of capital paid up on the 6% preference shares in priority over the holders of the non-voting ordinary shares, but no further right to participate in profits or assets. The preference shares carry the right to receive notice of and to attend and vote in person on a show of hands at every general meeting and the right to one vote per 6% preference share on a poll thereafter.

GLYTHORNE LIMITED

NOTES TO THE ACCOUNTS – 28 FEBRUARY 2002

9. Directors' interests

The interests of those who were directors of the company at the end of the year in the capital of Lloyds TSB Group plc were:

Shares:

	At 28 February 2002	At 1 March 2001 (or later date of appointment)
J L Davies	141,215	141,215
M P Kilbee	31,288	30,698
D K Potts	49,904	52,304
S I Rice	1,970	1,970

Options to acquire shares:

	At 1 March 2001 (or later date of appointment)	During the year (or since appointment during the period)		At 28 February 2002
		Granted	Exercised	
J L Davies	185,228	76,539	0	261,767
M P Kilbee	23,061	4,427	0	27,488
D K Potts	14,164	7,633	0	21,797
S I Rice	26,755	36,432	0	63,187

None of the directors had any other interest in the capital of Lloyds TSB Group plc or its subsidiaries.

GLYTHORNE LIMITED

NOTES TO THE ACCOUNTS - 28 FEBRUARY 2002

10. Ultimate Parent Company

The company regarded by the directors as the ultimate parent company is Lloyds TSB Group plc, which is also the parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member. Lloyds TSB Scotland plc is the parent undertaking of the smallest such group of undertakings.

Copies of the group accounts of Lloyds TSB Scotland plc are available from the Secretary, Henry Duncan House, 120 George Street, Edinburgh EH2 4LH.

Copies of the group accounts of Lloyds TSB Group plc are available from the Secretary, 71 Lombard Street, London EC3P 3BS.