

**CURZON COLLECTIONS LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2002**

**Company Number 2993061**



## ***Curzon Collections Limited***

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**Curzon Collections Limited**

**Officers and professional advisers**

**Directors**

P E Hopes  
SPV Management Limited  
L de V Wragg

**Secretary**

P E Hopes

**Registered Office**

Oakfield House  
35 Perrymount Road  
Haywards Heath  
West Sussex  
RH16 3BX

**Bankers**

Barclays Bank Plc  
54 Lombard Street  
London  
EC3V 9EX

National Westminster Bank Plc  
1 Princes Street  
London  
EC2R 8PB

Girobank Plc  
Bridle Road  
Bootle  
Merseyside  
GIR 0AA

**Auditors**

Deloitte & Touche  
Chartered Accountants  
Four Brindleyplace  
Birmingham  
B1 2HZ

## **Curzon Collections Limited**

### **Report of the directors**

The directors present their report and the audited financial statements for the year to 31 December 2002.

### **Activities**

The business of the company is the collection of all amounts due by way of payments of principal and interest on portfolios of mortgage loans and the distribution of such amounts to the party entitled thereto under the terms, inter alia, of a Receivables Trust Deed.

The company's expenses are paid by a related company and accordingly, the company generates neither a profit nor a loss.

### **Future prospects**

The directors are confident that the company is well placed to continue its activities.

### **Directors and their interests**

The present members of the Board are listed on page 2 and served throughout the year.

SPV Management Limited holds one fully paid up share of £1, on a discretionary trust basis, in each of Preferred Funding Limited, Preferred Funding One Limited, Preferred Funding Two Limited, PRS 1 Limited, Preferred Residential Securities 1 Plc, Preferred Residential Securities 2 Plc, Preferred Residential Securities 3 Plc, Preferred Residential Securities 4 Plc and Preferred Residential Securities 5 Plc at 31 December 2002 and 31 December 2001 (or date of appointment).

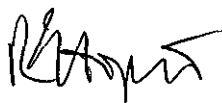
None of the other directors who held office during the year nor any of their families held any beneficial interest in the shares of the company during the year, or of any other group company.

### **Auditors**

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Deloitte & Touche have informed the directors that they are intending to transfer their business to a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000, to be known as Deloitte & Touche LLP. It is the current intention of the directors to use the Company's statutory power to give consent to the appointment of Deloitte & Touche being treated as extending to Deloitte & Touche LLP at the appropriate time.

### **By order of the directors**



**P E Hopes**  
Secretary  
23 July 2003

## **Curzon Collections Limited**

### **Statement of directors' responsibilities**

The directors are required by United Kingdom company law 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.

The directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been used in the preparation of the financial statements. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors have responsibility 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 also have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## Curzon Collections Limited

### Independent auditors' report to the members of Curzon Collections Limited

We have audited the financial statements of Curzon Collections Limited for the year ended 31 December 2002 which comprise the balance sheet and the related notes 1 to 7. 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 31 December 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*1) Charlotte - Lane*

Deloitte & Touche  
Chartered Accountants and Registered Auditors  
Birmingham

*28 July 2003*

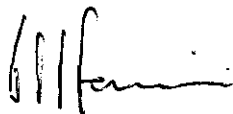
# Curzon Collections Limited

## Balance sheet as at 31 December 2002

	Note	2002 £	2001 £
<b>Current assets</b>			
Amounts owed by related companies	4	-	322,416
Called up share capital not paid	5	2	2
Cash at bank and in hand		<u>3,379,591</u>	<u>2,629,020</u>
<b>Total assets</b>		<u>3,379,593</u>	<u>2,951,438</u>
<b>Creditors: amounts falling due within one year</b>			
Bank overdraft		1,260,333	994,572
Amounts owed to related companies	3	2,119,258	1,956,496
Other creditors		-	368
<b>Total creditors</b>		<u>3,379,591</u>	<u>2,951,436</u>
<b>Net current assets</b>		<u>2</u>	<u>2</u>
<b>Capital and reserves</b>			
Called up share capital	5	2	2
Profit and loss account		-	-
<b>Total equity shareholders' funds</b>		<u>2</u>	<u>2</u>

These financial statements were approved by the Board of Directors on 23 July 2003

Signed on behalf of the Board of Directors



SPV Management Limited  
Director

## Curzon Collections Limited

### Notes to the accounts

#### 1. Accounting policy

##### Basis of accounting

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

#### 2. Profit and loss account

No profit and loss account is presented for the current or previous year as the company has not traded and therefore has made neither profit nor loss nor any other recognised gain nor loss.

Audit fees and any other fees paid to auditors are paid by a related company.

#### 3. Related party transactions

The related companies referred to in these financial statements are Preferred Mortgages Limited, Curzon Funding No 1 Limited, Curzon RT Limited, Preferred Funding Limited, Preferred Funding One Limited, Preferred Funding Two Limited, Preferred Residential Securities 1 Plc, Preferred Residential Securities 2 Plc, Preferred Residential Securities 3 Plc, Preferred Residential Securities 4 Plc and Preferred Residential Securities 5 Plc. The amounts owed to these companies are as follows:

	2002 £	2001 £
Curzon RT Limited	29,619	8,455
Preferred Mortgages Limited	1,103	
Preferred Funding One Limited	1,692,098	808,226
Preferred Funding Two Limited	396,438	-
Preferred Residential Securities 1 Plc	-	122,772
Preferred Residential Securities 2 Plc	-	61,054
Preferred Residential Securities 3 Plc	-	955,989
	<hr/>	<hr/>
	2,119,258	1,956,496
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The amounts due from these companies are shown in note 4. No amounts have been charged or credited to the company by the related parties.



## Curzon Collections Limited

### Notes to the accounts (continued)

#### 4. Amounts owed by related companies

	2002 £	2001 £
Amounts due from Preferred Residential Securities 1 Plc	-	133,873
Amounts due from Preferred Residential Securities 3 Plc	-	103,790
Amounts due from Preferred Residential Securities 4 Plc	-	75,653
Amounts due from Curzon RT Limited	-	2,000
Amounts due from Curzon Funding One Limited	-	7,100
	<hr/>	<hr/>
	-	322,416
	<hr/>	<hr/>

#### 5. Called up share capital

	2002 £	2001 £
Authorised:		
1,000 ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
Called up, allotted but not paid:		
2 ordinary shares of £1 each	2	2
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#### 6. Directors and employees

None of the directors received any emoluments in respect of their services to the company during the year (2001 - £nil).

The company does not employ staff (2001 – none).

## **Curzon Collections Limited**

### **Notes to the accounts (continued)**

#### **7. Parent company and ultimate controlling party**

SPV Management Limited, a company registered in England and Wales, holds all of the issued shares in the company on a discretionary trust basis. Its financial statements are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. Under the terms of the discretionary trust, there is no ultimate controlling party.