

000313/30

**Gracechurch Services Corporation**

**Financial Statements**  
**For the year ended 31 December 2004**

**REGISTERED NUMBER: FC022210**



# Gracechurch Services Corporation

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 US\$	2003 US\$
Service fee income		55,697,631	52,085,536
Expense	3	(54,073,264)	(50,809,688)
Income before taxes		<u>1,624,367</u>	<u>1,275,868</u>
Tax on profit on ordinary activities		(1,265,647)	(137,090)
<b>Retained profit for the financial year</b>		<u><b>358,720</b></u>	<u><b>1,138,778</b></u>
Retained loss at the beginning of the year		(3,773,349)	(4,912,127)
Profit for the financial year		358,720	1,138,778
<b>Retained loss at the end of the year</b>		<u><b>(3,414,629)</b></u>	<u><b>(3,773,349)</b></u>

All recognised gains and losses are included in the profit and loss account.  
Turnover and operating profit are derived from continuing activities. There is no difference between the results disclosed in the profit and loss account and the results on a modified historical cost basis.

## BALANCE SHEET AS AT 31 DECEMBER 2004

	Note	2004 US\$	2003 US\$
<b>ASSETS</b>			
Receivable from affiliates		4,317,853	9,004,501
Cash surrender value of insurance policies		<u>1,316,161</u>	<u>1,339,241</u>
<b>Total Assets</b>		<u><b>5,634,014</b></u>	<u><b>10,343,742</b></u>
<b>LIABILITIES</b>			
Payable to affiliates		1,591,826	4,345,707
Accrued benefits and expenses		<u>7,455,818</u>	<u>9,770,384</u>
<b>Total Liabilities</b>		<u><b>9,047,644</b></u>	<u><b>14,116,091</b></u>
<b>NET ASSETS</b>		<u><b>(3,413,630)</b></u>	<u><b>(3,772,349)</b></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	100	100
Share premium account		900	900
Profit and loss account		(3414,630)	(3,773,349)
<b>Total shareholders' funds</b>		<u><b>(3,413,630)</b></u>	<u><b>(3,772,349)</b></u>

The notes on pages 2 form an integral part of these financial statements.

# Gracechurch Services Corporation

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

#### Principal activities

The financial statements are for Gracechurch Services Corporation, the US parent company of Gracechurch Services Corporation – UK Branch, which was registered on 31 May 1999 in England and Wales. The principal activity of the UK branch is the administration of support Services of overseas assignees employed in the UK.

#### Basis of accounting

The financial statements have been prepared in accordance with the Companies Act 1985 applicable to overseas companies. The company has taken advantage of the modifications and exemptions from disclosure that are set out in the Oversea Companies (Accounts) (Modifications and Exemptions) Order 1990.

### 2. CASH FLOW STATEMENT

The Company's ultimate holding company has adopted the provisions of Financial Reporting Standard 1 ("FRS 1") revised 1996, Cash Flow Statements. Accordingly the Company, which is a wholly owned subsidiary of Barclays Bank PLC, has elected to utilise the exemption provided in FRS 1 not to produce a cash flow statement.

### 3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2004 US\$	2003 US\$
Salaries & benefits	50,622,041	48,088,742
Intercompany allocations	1,438,750	1,217,294
Other expense	2,012,473	1,503,632
	<u>54,073,264</u>	<u>50,809,668</u>

### 4. CALLED UP SHARE CAPITAL

	2004 US\$	2003 US\$
Authorised: 1000 ordinary shares of \$1 each	<u>1,000</u>	<u>1,000</u>
Alotted, issued and fully paid: 100 ordinary shares of \$1 each	100	100
	<u>100</u>	<u>100</u>