

Registered Number 561902

IN STORE CREDIT LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
PERIOD ENDED 31 DECEMBER 2002



IN STORE CREDIT LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
CONTENTS

	Page
Directors and Company Information	2
Directors' Report	3-4
Balance Sheet	5
Notes to the Financial Statements	6

IN STORE CREDIT LIMITED

DIRECTORS AND COMPANY INFORMATION

DIRECTORS

Halifax Directors Limited
Halifax Secretaries Limited

SECRETARY

Halifax Secretaries Limited

REGISTERED OFFICE

Thistle House
City Road
Chester
CH88 3AN

IN STORE CREDIT LIMITED

DIRECTORS' REPORT

The Directors present their Report and Financial Statements for the period ended 31 December 2002.

PRINCIPAL ACTIVITY, RESULTS AND DIVIDEND

The Company has not traded during the year and has therefore received no income and incurred no expenditure. Consequently, the Company made neither a profit nor a loss. The Directors do not recommend the payment of a dividend.

ULTIMATE HOLDING COMPANY

HBOS plc owns all the ordinary share capital of the Governor and Company of the Bank of Scotland which owns all the ordinary share capital of Capital Bank plc and NWS Trust Limited. Capital Bank plc and NWS Trust Limited both own one share in In Store Credit Limited.

DIRECTORS AND DIRECTORS' INTERESTS

The Directors who served during the year were as follows:

G J Duggan	resigned 23 August 2002
Halifax Directors Limited	appointed 23 August 2002
Halifax Secretaries Limited	appointed 23 August 2002

During the year no director had any interest in the share capital of the Company or of any group undertaking other than the ultimate holding company and no rights to subscribe for such interests were granted.

No Director currently holds shares of the ultimate holding company, including interests in shares held beneficially under the long term and short term bonus schemes.

AUDITORS

Having satisfied the provisions of Section 249A of the Companies Act 1985 relating to dormant companies the Company has not appointed auditors.

By order of the board

A handwritten signature in black ink, appearing to be 'A. J. P.', is written over the printed name of the Secretary.

For and on Behalf of Halifax Secretaries Limited
SECRETARY

Thistle House
City Road
Chester
CH88 3AN

21 February 2003

IN STORE CREDIT LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2002

	Note	2001 £	2002 £
CURRENT ASSETS			
Debtors: amounts owed by parent undertaking		<u>2</u>	<u>2</u>
CAPITAL & RESERVES			
Called up share capital	2	<u>2</u>	<u>2</u>

The Company was dormant throughout the year and the Directors make the following statements:

- the Company is eligible to take advantage of the relevant audit exemption (S249AA(1));
- no notice from the Member has been deposited with the Company requiring an audit relative to the year concerned (S249B(2)); and
- the Directors acknowledge their obligation to keep proper accounting records and to prepare accounts which give a true and fair view of the Company's position and are in accordance with the requirements of the Companies Act 1985.

These Financial Statements were approved by the Board of Directors on 21 February 2003 and were signed on its behalf by



For and on Behalf of Halifax Directors Limited
DIRECTOR

The notes on page 6 form part of these Financial Statements.

IN STORE CREDIT LIMITED

PROFIT AND LOSS ACCOUNT

During the financial year the Company received no income and incurred no expenditure and consequently there is neither a profit nor a loss to report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2002

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

These Financial Statements have been prepared in accordance with applicable accounting standards and have been drawn up under the historical cost convention.

2 CALLED UP SHARE CAPITAL

	2001	2002
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

3 ULTIMATE PARENT UNDERTAKING

The largest Group in which the results of the Company are consolidated is that headed by HBOS plc which acquired 100% of the ordinary share capital of The Governor and Company of the Bank of Scotland on 10 September 2001. The Governor and Company of the Bank of Scotland owns 100% of the ordinary share capital of Capital Bank plc and NWS Trust Limited which are the Company's immediate parents.

Copies of the accounts of HBOS plc are available from The Mound, Edinburgh, EH1 1YZ.

The Company's ultimate parent undertaking is HBOS plc.