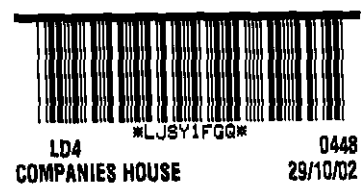


2013563

**LLOYDS COMMERCIAL PROPERTIES LIMITED**  
**ANNUAL REPORT AND ACCOUNTS 2001**

MEMBER OF LLOYDS TSB GROUP



# **LLOYDS COMMERCIAL PROPERTIES LIMITED**

## **Report and accounts 2001**

### **Registered office**

71 Lombard Street  
London  
EC3P 3BS

### **Registered number**

2013563

### **Directors**

A G Strang (Chairman)  
H D C Stebbing (Managing Director) (alternate: A W Fielder)

### **Secretary**

S J Hopkins

# **LLOYDS COMMERCIAL PROPERTIES LIMITED**

## **Report of the directors**

### **Principal activities and results**

The principal activities of the company are property management and the provision of services to subsidiary undertakings.

The profit after taxation for the year ended 31 December 2001 was £105,998 (2000: loss £63,256) as set out in the profit and loss account on page 3.

### **Directors**

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

Reference is made on page 10 in note 15 to the interests of the directors and the alternate director in the capital of Lloyds TSB Group plc, the ultimate parent company, and its subsidiaries.

### **Policy and practice on payment of creditors**

The company follows "The Better Payment Practice Code" published by the Department of Trade and Industry regarding payments to suppliers. A copy of the code and information about it may be obtained from the Department of Trade and Industry, 1 Victoria Street, London SW1H 0ET.

The company's policy is to agree terms of payment with suppliers and these normally provide for settlement within 30 days after the date of the invoice, except where other arrangements have been negotiated. It is the policy of the company to abide by the agreed terms of payment, provided the supplier performs according to the terms of the contract.

As the company owed no amounts to trade creditors at 31 December 2001, the number of days required to be shown in this report, to comply with the provisions of the Companies Act 1985, is nil (2000: nil).

On behalf of the board



A G Strang  
Director

25 October 2002

# LLOYDS COMMERCIAL PROPERTIES LIMITED

## Profit and loss account for the year ended 31 December 2001

	Note	2001 £	2000 £
Turnover	2	8,340	8,091
Administrative expenses		<u>147,177</u>	<u>(111,371)</u>
Operating profit		155,517	(103,280)
Interest receivable and similar income		<u>1,207</u>	<u>12,528</u>
Profit/(loss) on ordinary activities before taxation	3	156,724	(90,752)
Taxation	5	<u>(50,726)</u>	<u>27,226</u>
Retained profit/(loss)	13	<u>105,998</u>	<u>(63,526)</u>

The company had no recognised gains or losses other than those disclosed in the profit and loss account, which relate entirely to continuing operations.

The notes on pages 5 to 10 form part of these accounts.

# LLOYDS COMMERCIAL PROPERTIES LIMITED

## Balance sheet at 31 December 2001

	Note	2001 £	2000 £
<b>Fixed assets</b>			
Land and buildings	6	412,652	422,173
Investments in subsidiary undertakings	7	35,600,009	35,600,009
		-----	-----
<b>Current assets</b>		36,012,661	36,022,182
Amounts owed by group undertakings	8	300,000	300,000
Other debtors	10	1,638	44,234
Cash at bank	9	54,312	46,575
		-----	-----
		355,950	390,809
<b>Creditors: amounts falling due within one year</b>			
Amounts owed to parent undertaking		34,000,000	34,000,000
Accruals		1,000	-
Taxation	5	36,500	-
		-----	-----
		34,037,500	34,000,000
<b>Net current liabilities</b>		(33,681,550)	(33,609,191)
<b>Provisions for liabilities and charges</b>	11	-	(187,878)
		-----	-----
<b>Net assets</b>		2,331,111	2,225,113
		=====	=====
<b>Capital and reserves</b>			
Called-up share capital	12	2	2
Profit and loss account	13	2,331,109	2,225,111
		-----	-----
Shareholder's funds (equity)	14	2,331,111	2,225,113
		=====	=====



A G Strang  
Director

The notes on pages 5 to 10 form part of these accounts.

# LLOYDS COMMERCIAL PROPERTIES LIMITED

## Notes to the accounts

### 1. Accounting policies

#### a. Basis of preparation

The accounts are prepared under the historical cost convention, in compliance with the requirements of the Companies Act 1985 and in accordance with applicable accounting standards.

Under the provisions of section 228 of the Companies Act 1985, group accounts have not been prepared as the company is a wholly owned subsidiary undertaking of Lloyds TSB Group plc. As permitted by Financial Reporting Standard 1 (revised), no cash flow statement is presented in these accounts, as the company is a wholly owned subsidiary of Lloyds TSB Group plc which presents such a statement in its own accounts. In addition, advantage has been taken of the exemption available under Financial Reporting Standard 8 not to disclose details of transactions with Lloyds TSB Group plc or other group or associated undertakings, as the consolidated accounts of Lloyds TSB Group plc in which the company is included are publicly available.

#### b. Fixed assets and depreciation

With effect from 1 January 2000, Lloyds TSB Group implemented Financial Reporting Standard 15 in respect of freehold buildings and as permitted the freehold buildings have been re-stated to original value and will depreciate on a straight-line basis over 50 years. Land is not depreciated. Furniture and fittings are depreciated on a straight-line basis over 10 years.

#### c. Investments in subsidiary undertakings

Investments in subsidiary undertakings are carried at cost less any provisions for permanent diminution in value.

### 2. Turnover

Turnover comprises recharges charged to other group undertakings.

### 3. Profit/(loss) on ordinary activities before taxation

	2001 £	2000 £
Profit before taxation is stated after charging/(crediting):		
Interest receivable from group undertakings	(1,207)	(12,528)
Auditors' remuneration	1,000	450
Recharged expenses from group undertakings in respect of staff costs	18,300	58,500
Other administrative expenses	30,701	44,421
Provision write back	(187,878)	-
	=====	=====

All employees have contracts of service with Lloyds TSB Bank plc and are made available on a full time basis to the company.

# LLOYDS COMMERCIAL PROPERTIES LIMITED

## Notes to the accounts (continued)

### 4. Directors' emoluments

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 that their services to this company are incidental to their other activities within the group.

### 5. Taxation

	2001 £	2000 £
UK corporation tax at 30% (2000 : 30%)	50,000	(27,226)
Over provision in prior year	726	-
	<u>50,726</u>	<u>(27,226)</u>

### 6. Fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost at 1 January 2001	422,721	8,439	431,160
Cost at 31 December 2001	<u>422,721</u>	<u>8,439</u>	<u>431,160</u>
Accumulated depreciation at 1 January 2001	(8,454)	(533)	(8,987)
Charge for the year	(8,455)	(1,066)	(9,521)
Accumulated depreciation at 31 December 2001	<u>(16,909)</u>	<u>(1,599)</u>	<u>(18,508)</u>
Net book amount at 31 December 2001	<u>405,812</u>	<u>6,840</u>	<u>412,652</u>
Net book amount at 31 December 2000	<u>414,267</u>	<u>7,906</u>	<u>422,173</u>

# LLOYDS COMMERCIAL PROPERTIES LIMITED

## Notes to the accounts (continued)

### 7. Investments in subsidiary undertakings

	2001 £	2000 £
Cost and valuation at 1 January 2001	35,600,009	35,600,009
Cost and valuation at 31 December 2001	35,600,009	35,600,009

The subsidiaries of Lloyds Commercial Properties Limited are:

<u>Company</u>	<u>Country of incorporation</u>	<u>Nature of business</u>
Lloyds Project Construction Company Limited	England	Building contractor carrying out construction projects
Lloyds Commercial Property Developments Limited	England	Non-trading
Lloyds Commercial Property Investments Limited	England	Undertakes commercial property investment
Target Corporate Services Limited	England	Provides services to subsidiary undertakings and manages property

Lloyds Commercial Properties Limited has an interest in 100% of the issued share capital of each of the above companies.

### 8. Amounts owed by group undertakings

	2001 £	2000 £
Amounts owed by group undertakings	300,000	300,000



# LLOYDS COMMERCIAL PROPERTIES LIMITED

## Notes to the accounts (continued)

### 9. Cash at bank

Cash at bank comprises deposits with Lloyds TSB Bank plc:

	2001 £	2000 £
Call account	18,036	41,828
Current account	36,276	4,747
	<u>54,312</u>	<u>46,575</u>

### 10. Other debtors

	2001 £	2000 £
Corporation tax	-	27,226
Intercompany balance	1,335	1,335
VAT	303	15,673
	<u>1,638</u>	<u>44,234</u>

### 11. Provisions for liabilities and charges

	2001 £	2000 £
Provision for vacant property		
At 1 January 2001	187,878	2,292,440
Written back in year	(187,878)	(2,104,562)
	<u>-</u>	<u>187,878</u>

### 12. Called-up share capital

	2001 £	2000 £
Authorised ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Issued and fully paid	2	2
	<u>2</u>	<u>2</u>

# LLOYDS COMMERCIAL PROPERTIES LIMITED

## Notes to the accounts (continued)

### 12. Called-up share capital (continued)

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 Bank plc is the parent undertaking of the smallest such group of undertakings. Copies of the group accounts of both may be obtained from the company secretary's office, Lloyds TSB Group plc, 71 Lombard Street, London EC3P 3BS.

### 13. Profit and loss account

	2001 £
At 1 January	2,225,111
Retained profit	105,998
	-----
At 31 December	2,331,109
	=====

### 14. Reconciliation of movements in shareholder's funds

	2001 £	2000 £
Profit/(loss) for the year	105,998	(63,526)
Opening shareholder's funds	2,225,113	2,288,639
	-----	-----
Closing shareholder's funds	2,331,111	2,225,113
	=====	=====

# LLOYDS COMMERCIAL PROPERTIES LIMITED

## Notes to the accounts (continued)

### 15. Directors' interests

The interests of the directors and the alternate director in the capital of Lloyds TSB Group plc were:

	At 31 December 2001	At 1 January 2001
Ordinary shares of 25p each:		
A W Fielder	8,532	8,498
H D C Stebbing	25,715	29,787
A G Strang	62,875	96,072

Options to acquire ordinary shares of 25p each:

	At 1 January 2001	Granted	During the year	
			Exercised	At 31 December 2001
A W Fielder	3,273	369	1,602	2,040
H D C Stebbing	12,536	5,722	2,727	15,531
A G Strang	45,050	27,863	2,454	70,459

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

### 16. Date of approval

The directors approved the accounts on 25 October 2002.

## **LLOYDS COMMERCIAL PROPERTIES LIMITED**

### **Independent auditors' report to the member of Lloyds Commercial Properties Limited**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes which have been prepared under the accounting policies set out on page 5.

#### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the annual report, including, as described below, the financial statements. The United Kingdom Companies Act 1985 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 year and of the profit or loss for that year. 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, subject to any material departures disclosed and explained in the financial statements; 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 accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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 responsibilities, as independent auditors, are established in the United Kingdom by statute, and the Auditing Standards issued by the Auditing Practices Board. .

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.

We read the directors' report 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.

# **LLOYDS COMMERCIAL PROPERTIES LIMITED**

## **Independent auditors' report to the member of Lloyds Commercial Properties Limited (continued)**

### **Basis of audit opinion (continued)**

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 31 December 2001 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

25 October 2002