

**Lloyds Group Properties Limited  
Directors' report and financial statements  
for the year ended 31 December 2000**

**Registered no: 2158377**



# **Lloyds Group Properties Limited**

## **Annual report for the year ended 31 December 2000**

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# **Lloyds Group Properties Limited**

## **Directors' report for the year ended 31 December 2000**

The directors present their report and the audited financial statements for the year ended 31 December 2000.

### **Results**

Details of the results for the financial year are set out in the profit and loss account on page 4.

### **Principal activities**

The company is engaged in the management of a portfolio of properties occupied by other members of the group.

### **Review of business and future prospects**

The company has shown an improved performance during the year and the year end financial position is considered to be satisfactory. The directors are continuing to seek ways of improving the return on the company's portfolio of properties and are hopeful that further improvements may be made in the coming year.

### **Dividends**

The directors do not recommend the payment of a final dividend (1999: £nil). No interim dividend was paid during the year (1999: £nil).

### **Political and charitable contributions**

Charitable contributions of £nil were made during the year (1999: £12,630). No political contributions were made (1999: £Nil).

### **Directors**

The directors of the company, all of whom have been directors for the whole of the year ended 31 December 2000 except where otherwise stated, were as follows:

G A Kershaw

G V Mischke (resigned 31 August 2000)

R A Mittermeier (appointed 1 September 2000, resigned 1 December 2000)

Dr U M Schneider (appointed 1 December 2000)

R C H Vizard

M A Ward

In accordance with the Articles of Association, none of the directors are required to retire at the annual general meeting.

# **Lloyds Group Properties Limited**

## **Directors' interests**

According to the register kept under section 325 of the Companies Act 1985, no director had a notifiable interest in the shares of the company or other group companies at any time during the year. As permitted, the register does not contain details of directors' interests in parent undertakings which are incorporated outside Great Britain.

None of the directors had a material interest in any contracts with group companies.

## **Impact of the Euro**

The GEHE Group recognises the wide implications of the Euro for businesses, including impacts on commercial arrangements and financial systems. Appropriate preparation is being made in those entities resident in Euro-land countries, based on the EU timetable for transition towards the introduction of notes and coins in January 2002.

Within the UK, the Group's preparations recognise the uncertain position regarding possible entry to the single currency, and the situation is monitored closely.

## **Statement of directors' responsibilities**

The directors are required by UK Company Law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.

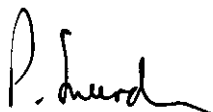
The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 2000. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Auditors**

A resolution to re-appoint the auditors, PricewaterhouseCoopers, will be put to the members at the annual general meeting.

## **By order of the Board**



P Smerdon  
Secretary  
28 February 2001

# **Lloyds Group Properties Limited**

## **Report of the auditors to the members of Lloyds Group Properties Limited**

We have audited the financial statements on pages 4 to 10.

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

The directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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. 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 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 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers**  
Chartered Accountants and Registered Auditors  
Birmingham

*1 March 2001*

# Lloyds Group Properties Limited

## Profit and loss account for the year ended 31 December 2000

|   | Notes | 2000<br>£'000    | 1999<br>£'000       |
|---|-------|------------------|---------------------|
| Administrative expenses   |       | 1                | (118)               |
| Other operating income  |       | 20               | -                   |
| <b>Operating profit / (loss) before exceptional items</b>       |       | <u>21</u>        | <u>(118)</u>        |
| Loss on disposal of fixed assets                                |       | -                | (701)               |
| <b>Operating profit / (loss) after exceptional items</b>        |       | <u>21</u>        | <u>(819)</u>        |
| <b>Profit / (loss) on ordinary activities before taxation</b>   | 4     | <u>21</u>        | <u>(819)</u>        |
| Tax charge / (credit) on profit / (loss) on ordinary activities | 5     | (1)              | 1                   |
| <b>Retained profit / (loss) for the year</b>                    | 11    | <u><u>20</u></u> | <u><u>(818)</u></u> |

All operations are continuing.

The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

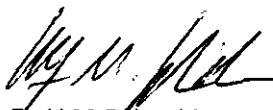
There is no material difference between the results above and the results on an unmodified historical cost basis.

# Lloyds Group Properties Limited

## Balance sheet at 31 December 2000

|  | Notes | 2000<br>£'000  | 1999<br>£'000  |
|--|-------|----------------|----------------|
| <b>Fixed assets</b>  |       |                |                |
| Tangible assets  | 6     | <u>2,540</u>   | <u>2,610</u>   |
| <b>Current assets</b>  |       |                |                |
| Debtors:   |       |                |                |
| Amounts falling due within one year                            | 7     | 609            | 1,572          |
| Amounts falling due after more than one year                   | 7     | 1,789          | 739            |
| Cash at bank and in hand                                       |       | <u>16</u>      | <u>102</u>     |
|  |       | <u>2,414</u>   | <u>2,413</u>   |
| <b>Creditors: amounts falling due within one year</b>          | 8     | <u>(409)</u>   | <u>(1,212)</u> |
| <b>Net current assets</b>                                      |       | <u>2,005</u>   | <u>1,201</u>   |
| <b>Total assets less current liabilities</b>                   |       | <u>4,545</u>   | <u>3,811</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 8     | <u>(4,053)</u> | <u>(3,339)</u> |
| <b>Net assets</b>  |       | <u>492</u>     | <u>472</u>     |
| <b>Capital and reserves</b>                                    |       |                |                |
| Called-up share capital  | 10    | -              | -              |
| Profit and loss account  | 11    | 492            | 472            |
| <b>Equity shareholders' funds</b>                              | 12    | <u>492</u>     | <u>472</u>     |

The financial statements on pages 4 to 10 were approved by the board of directors on 28 February 2001 and were signed on its behalf by:

  
Dr U M Schneider  
Director

# **Lloyds Group Properties Limited**

## **Notes to the financial statements for the year ended 31 December 2000**

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. Set out below is a summary of the more important accounting policies, which have been applied consistently except where stated otherwise.

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention.

#### **Taxation**

The charge for taxation is based on the result for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

#### **Cash flow statement**

The company takes advantage of the exemption in FRS 1 (revised) not to prepare a cash flow statement on the grounds that the company is a wholly owned subsidiary whose ultimate parent prepares consolidated financial statements which are publicly available.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost less provision for depreciation. Cost comprises the purchase cost together with any incidental expenses of acquisition.

Depreciation is calculated by reference to the expected lives of the assets concerned. Additional depreciation may be charged where directors consider there to have been an impairment in the underlying value of an asset. The following rates are applied:

|                      |  |
|----------------------|--|
| Freehold buildings   | 2% straight line   |
| Leasehold properties | 2% straight line or over the period of the lease if less than 50 years |

#### **Leased assets**

All leases are operating leases and the rental costs are charged to the profit and loss account on a straight line basis over the lease term.



# Lloyds Group Properties Limited

## 2 Directors' emoluments

The emoluments of Mr Kershaw, Mr Mischke, Mr Mittermeier, Dr Schneider, Mr Vizard and Mr Ward are paid by a fellow group company (AAH Subsidiaries Limited) which makes no recharge to the company. Mr Kershaw, Mr Mischke, Mr Mittermeier, Dr Schneider, Mr Vizard and Mr Ward are directors of a number of fellow group companies and it is not possible to make an accurate apportionment of their emoluments in respect of each of the companies. Accordingly no emoluments in respect of Mr Kershaw, Mr Mischke, Mr Mittermeier, Dr Schneider, Mr Vizard and Mr Ward are disclosed. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of AAH Subsidiaries Limited.

## 3 Employee information

The company had no employees during the year, other than executive directors (1999:nil)

## 4 Profit / (loss) on ordinary activities before taxation

Profit / (loss) on ordinary activities before taxation is stated after charging the following:

|   | 2000<br>£'000 | 1999<br>£'000 |
|---|---------------|---------------|
| Depreciation - tangible owned assets        |               |               |
| Charge for the year                         | 70            | 80            |
| Auditors' remuneration - for audit          | 3             | 3             |
| Loss on disposal of fixed assets            | -             | 701           |
| Release of provision against group balances | <u>(83)</u>   | <u>-</u>      |

## 5 Tax charge / (credit) on profit / (loss) on ordinary activities

|  | 2000<br>£'000 | 1999<br>£'000 |
|--|---------------|---------------|
| UK corporation tax at 30% (1999: 30.25%) | 6             | 35            |
| Deferred taxation (see note 9)           | <u>-</u>      | <u>(36)</u>   |
|  | 6             | (1)           |
| Adjustment in respect of previous years  | <u>(5)</u>    | <u>-</u>      |
|  | <u>1</u>      | <u>(1)</u>    |

# Lloyds Group Properties Limited

## 6 Tangible fixed assets

Movements in the year ended 31 December 2000

|                       | Freehold<br>land and<br>buildings<br>£'000 | Long<br>leasehold<br>land and<br>buildings<br>£'000 | Total<br>£'000 |
|-----------------------|--|---|----------------|
| <b>Cost</b>           |  |   |                |
| At 1 January          | 2,641                                      | 845   | 3,486          |
| At 31 December        | <u>2,641</u>                               | <u>845</u>  | <u>3,486</u>   |
| <b>Depreciation</b>   |  |   |                |
| At 1 January          | 744  | 132   | 876            |
| Charge for year       | 53   | 17  | 70             |
| At 31 December        | <u>797</u>                                 | <u>149</u>  | <u>946</u>     |
| <b>Net book value</b> |  |   |                |
| At 31 December        | <u>1,844</u>                               | <u>696</u>  | <u>2,540</u>   |
| At 1 January          | <u>1,897</u>                               | <u>713</u>  | <u>2,610</u>   |

## 7 Debtors

|  | 2000<br>£'000 | 1999<br>£'000 |
|--|---------------|---------------|
| <b>Amounts falling due within one year:</b>          |               |               |
| Trade debtors  | 10            | 31            |
| Amounts owed by other group companies                | 597           | 1,455         |
| Other debtors  | 2             | -             |
| Prepayments and accrued income                       | -             | 86            |
|  | <u>609</u>    | <u>1,572</u>  |
| <b>Amounts falling due after more than one year:</b> |               |               |
| Amounts owed by parent and fellow subsidiaries       | 830           | 664           |
| Amounts owed by other group companies                | 959           | 75            |
|  | <u>1,789</u>  | <u>739</u>    |

# Lloyds Group Properties Limited

## 8 Creditors

|  | 2000<br>£'000 | 1999<br>£'000 |
|--|---------------|---------------|
| <b>Amounts falling due within one year:</b>          |               |               |
| Amounts owed to parent and fellow subsidiaries       | -             | 719           |
| Corporation tax                                      | 6             | 35            |
| Other taxation and social security payable           | -             | 76            |
| Accruals and deferred income                         | 403           | 382           |
|  | <u>409</u>    | <u>1,212</u>  |
| <b>Amounts falling due after more than one year:</b> |               |               |
| Amounts owed to parent and fellow subsidiaries       | <u>4,053</u>  | <u>3,339</u>  |

## 9 Deferred taxation

The deferred taxation (asset) / liability recognised in the financial statements, and the amount not recognised of the total potential (asset) / liability, are as follows:

|                                | Amount recognised |               | Amount not recognised |               |
|--------------------------------|-------------------|---------------|-----------------------|---------------|
|                                | 2000<br>£'000     | 1999<br>£'000 | 2000<br>£'000         | 1999<br>£'000 |
| Accelerated capital allowances | -                 | -             | -                     | -             |
| Short term timing differences  | -                 | -             | -                     | -             |
| Deferred capital gains         | -                 | -             | -                     | 673           |
|                                | <u>-</u>          | <u>-</u>      | <u>-</u>              | <u>673</u>    |

## 10 Called-up share capital

|   | 2000<br>£'000 | 1999<br>£'000 |
|---|---------------|---------------|
| <b>Authorised</b>                         |               |               |
| 100 ordinary shares of £1 each            | <u>-</u>      | <u>-</u>      |
| <b>Allotted, called up and fully paid</b> |               |               |
| 2 ordinary shares of £1 each              | <u>-</u>      | <u>-</u>      |

# Lloyds Group Properties Limited

## 11 Reserves

|  | Profit and<br>loss account<br>£'000 |
|--|-------------------------------------|
| At 1 January 2000                      | 472                                 |
| Retained profit for the financial year | 20                                  |
| At 31 December 2000                    | <u>492</u>                          |

## 12 Reconciliation of movements in shareholders' funds

|  | 2000<br>£'000 | 1999<br>£'000 |
|--|---------------|---------------|
| Profit / (loss) for the financial year | 20            | (818)         |
| Opening shareholders' funds            | <u>472</u>    | <u>1,290</u>  |
| Closing shareholders' funds            | <u>492</u>    | <u>472</u>    |

## 13 Financial commitments

The company had no annual commitments under non-cancellable operating leases at 31 December 2000 (1999: £nil).

## 14 Related party transactions

The company has taken advantage of the exemption under FRS 8 from disclosure of intra-group transactions and balances as these are eliminated on consolidation in the financial statements of the ultimate parent undertaking.

## 15 Ultimate parent undertaking and ultimate controlling party

In the opinion of the directors the company's ultimate controlling party is the ultimate parent undertaking, Franz Haniel & Cie GmbH, a company registered in Germany, by virtue of its majority shareholding in the immediate parent GEHE AG and its consolidation of the GEHE AG Group results into its own consolidated financial statements.

Consolidated financial statements for the largest group of undertakings are prepared by Franz Haniel & Cie GmbH and may be obtained from Franz Haniel Platz 1, D47119 Duisburg, Ruhrort, Germany.

Consolidated accounts for the smallest group of companies are prepared by GEHE AG and may be obtained from GEHE AG, Neckartalstrasse 155, D-70376 Stuttgart, Germany.