

BARCLAYS CAPITAL LEASING (NO.166) LIMITED

Report and Financial Statements
For the year ended 31 December 2001

REGISTERED NUMBER: 2251540



BARCLAYS CAPITAL LEASING (NO.166) LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2001

The directors present their report together with the audited financial statements for the year ended 31 December 2001.

Review of business

The principal activity of the Company is that of holding the lease of the land and buildings at 33 Canada Square, Canary Wharf, London. In the opinion of the directors the state of the Company's affairs is satisfactory.

Results and Dividends

During the year the Company made a profit after taxation of £7,779,895 (2000: £8,261,600). The directors do not recommend the payment of a dividend (2000: £nil).

Directors

The directors of the Company, who served during the year, together with their dates of appointment and resignation, where appropriate, are as shown below:

Barometers Limited

Barcosec Limited

J Caetano

P Emney (appointed 11 October 2001)

LJ Kenworthy

IAW Sandles

JDN Thomas

SJ Ullman (resigned 11 October 2001)

Directors' Interests in Shares

(as defined by section 325 the Companies Act 1985)

The directors of the Company are also directors of Barclays Directors Limited and their interests are disclosed in the accounts of that company.

BARCLAYS CAPITAL LEASING (NO.166) LIMITED

DIRECTORS' REPORT (continued)

For the year ended 31 December 2001

Statement of Directors' Responsibilities

The following statement, which should be read in conjunction with the Auditors' Report set out on page 3, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the Auditors in relation to the financial statements.

The directors are required by the Companies Act 1985 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 for the financial year.

The directors consider that in preparing the financial statements on pages 4 to 9,

- the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and
- that all the accounting standards which they consider to be applicable have been followed, and
- that the financial statements have been prepared on a going concern basis.

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure the financial statements comply with the Companies Act 1985.

The directors 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.

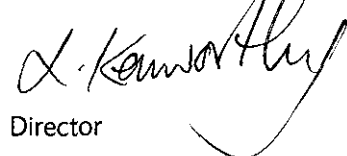
Holding Companies

The parent company of the smallest group that presents group financial statements is Barclays Bank PLC. The ultimate holding company is Barclays PLC and copies of the group financial statements of Barclays PLC and Barclays Bank PLC may be obtained from Group Corporate Secretariat, Barclays PLC, 54 Lombard Street, London EC3P 3AH. Both companies are incorporated in Great Britain and registered in England and Wales.

Auditors

On 20 December 1990 an elective resolution was passed by the shareholders of the Company pursuant to Section 386 of the Companies Act 1985 to dispense with the obligation to appoint Auditors annually. PricewaterhouseCoopers have signified their willingness to continue in office.

BY ORDER OF THE BOARD



Director

3 May 2002

BARCLAYS CAPITAL LEASING (NO.166) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARCLAYS CAPITAL LEASING (NO.166) LIMITED

We have audited the financial statements on pages 4 to 9.

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.

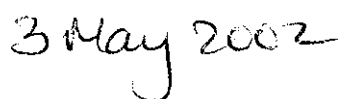
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 2001 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
London



BARCLAYS CAPITAL LEASING (NO.166) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	2000 £
Turnover	1	9,232,499	11,203,597
Administrative expenses		(2,500)	(1,722)
Operating profit		9,229,999	11,201,875
Interest receivable from group undertakings		1,884,138	1,398,250
Interest payable to group undertakings		-	(808,602)
Profit on ordinary activities before taxation	3	11,114,137	11,791,523
Tax on profit on ordinary activities	5	(3,334,242)	(3,529,923)
Profit on ordinary activities after taxation		7,779,895	8,261,600
Retained profit brought forward		14,507,431	6,245,831
Retained profit carried forward		22,287,326	14,507,431

All recognised gains and losses are included in the profit and loss account. Operating profit is derived from continuing activities. There is no difference between the results disclosed in the profit and loss account and the results on an unmodified historical cost basis. The notes on pages 6 to 9 form an integral part of these financial statements.

BARCLAYS CAPITAL LEASING (NO.166) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	2000 £
CURRENT ASSETS			
Debtors falling due within one year			
Finance lease receivables	6	4,899	8,031
Other debtors	7	42,749,965	35,481,639
		<u>42,754,864</u>	<u>35,489,670</u>
Debtors falling due after one year			
Finance lease receivables	6	140,532,154	139,694,735
Other debtors	7	6,949,929	7,202,636
		<u>190,236,947</u>	<u>182,387,041</u>
CREDITORS: Amounts falling due within one year	8	(4,199,619)	(4,129,608)
NET ASSETS		<u>186,037,328</u>	<u>178,257,433</u>
CAPITAL AND RESERVES			
Called up share capital	9	163,750,002	163,750,002
Profit and loss account		22,287,326	14,507,431
TOTAL EQUITY SHAREHOLDERS' FUNDS	10	<u>186,037,328</u>	<u>178,257,433</u>

A statement of movement in shareholders' funds is given in note 10.

The notes on pages 6 to 9 form an integral part of these financial statements.

The financial statements on pages 4 to 9 were approved by the Board of Directors on 3 May 2002.


Director

BARCLAYS CAPITAL LEASING (NO.166) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, the accounting policies set out below and in accordance with applicable accounting standards of the Accounting Standards Board and pronouncements of the Urgent Issues Task Force.

Finance leases

The profit and loss account is credited with income, net of direct expenses, including commission from finance leases, using the actuarial method to give a constant periodic rate of return on the net cash investment.

Debtors under finance leases represent outstanding amounts due under these agreements less finance charges allocated to future periods.

Turnover

Turnover represents income from agreements entered into relating to leased assets. Income is calculated in accordance with the finance leases note above.

Deferred taxation

Deferred tax is provided using the liability method on timing differences between the accounting and tax treatment of income and expense where it is considered probable that a liability to tax will crystallise.

Adoption of new accounting standards

There have been no significant changes in the accounting policies following the adoption in 2001 of FRS 18 'Accounting Policies'.

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

	2001 £	2000 £
Profit on ordinary activities before taxation is stated after crediting: -		
aggregate rentals receivable in respect of finance leases	10,363,620	10,372,406
after charging: -		
auditors' remuneration in respect of audit services:	2,500	1,712
	<hr/>	<hr/>

There were no employees employed by the Company during 2001 or 2000.

BARCLAYS CAPITAL LEASING (NO.166) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. DIRECTORS' EMOLUMENTS

The Directors did not receive any emoluments in respect of their services to the Company during the year (2000: £nil).

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001 £	2000 £
United Kingdom:		
Current taxation	3,081,525	3,284,721
Adjustment in respect of prior year	-	(7,534)
Deferred taxation (note 7)	252,717	252,736
	<u>3,334,242</u>	<u>3,529,923</u>

The tax charge is based on an effective UK corporation tax rate of 30% (2000: 30%).

6. FINANCE LEASE RECEIVABLES

	2001 £	2000 £
Net investment in finance lease comprises:		
Total amounts receivable	435,203,547	444,702,457
Less: Interest allocated to future periods	(271,500,065)	(280,990,905)
Less: Income allocated to future periods	(24,008,785)	(24,851,173)
	<u>139,694,697</u>	<u>138,860,379</u>

	2001 £	2000 £
Due within one year	4,899	8,031
Deferred income to be released within one year	(842,356)	(842,387)
Due after more than one year	140,532,154	139,694,735
	<u>139,694,697</u>	<u>138,860,379</u>

BARCLAYS CAPITAL LEASING (NO.166) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. OTHER DEBTORS

	2001 £	2000 £
Due within one year		
Due from group undertakings	41,703,822	34,429,501
Interest receivable	-	5,986
Rental income receivable	793,436	793,436
Deferred tax	252,707	252,716
	<u>42,749,965</u>	<u>35,481,639</u>

	2001 £	2000 £
Due after one year		
Deferred tax recoverable	6,949,929	7,202,636
	<u>6,949,929</u>	<u>7,202,636</u>

8. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Taxation payable	3,081,525	3,284,721
Auditors' remuneration	2,500	2,500
Interest payable	273,238	-
Deferred income under finance lease (note 6)	842,356	842,387
	<u>4,199,619</u>	<u>4,129,608</u>

9. CALLED UP SHARE CAPITAL

	2001 £	2000 £
Authorised:		
Ordinary shares of £1 each	170,000,000	170,000,000
Allotted and fully paid:		
Ordinary shares of £1 each	<u>163,750,002</u>	<u>163,750,002</u>

BARCLAYS CAPITAL LEASING (NO.166) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit for the financial year	7,779,895	8,261,600
Opening shareholders' funds	178,257,433	169,995,833
Closing shareholders' funds	<u>186,037,328</u>	<u>178,257,433</u>

11. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under the provisions of Financial Reporting Standard 8 ("FRS 8"), Related Party Disclosures not to disclose transactions with other group companies since the Company is a wholly owned subsidiary of Barclays Bank PLC, the consolidated financial statements of which are publicly available. During the period there have been no transactions with related parties other than group companies.

12. ULTIMATE HOLDING COMPANY

The parent undertaking of the smallest group that presents group accounts is Barclays Bank PLC. The ultimate holding company and the parent company of the largest group that presents group accounts is Barclays PLC. Both companies are incorporated in Great Britain and registered in England and Wales. Barclays Bank PLC's and Barclays PLC's statutory accounts are available from the Secretary, 54 Lombard Street, London EC3P 3AH.