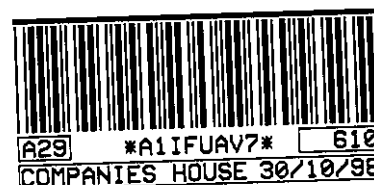


**BARCLAYS CAPITAL LEASING (NO. 166) LIMITED
(FORMERLY BARCLAYS COMPUTER SERVICES LIMITED)**

REPORT AND ACCOUNTS

31 DECEMBER 1997

REGISTERED IN ENGLAND NO. 2251540



BARCLAYS CAPITAL LEASING (NO. 166) LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 31 December 1997.

CHANGE OF NAME

On 15 December 1997, the company changed its name to Barshelfco (NP No.3) Limited, and then on 10 March 1998 further changed its name to Barclays Capital Leasing (No.166) Limited.

REVIEW OF BUSINESS

During the year, the company did not trade and made neither profit nor loss. On 9 March 1998, the company ceased to be dormant within the meaning of Section 250 of the Companies Act 1985. On 13 March 1998, the company entered into an agreement for the transfer of and lease over the land and buildings known as Parcel DS6, Canary Wharf. The property is currently under construction.

DIRECTORS

The following directors held office throughout the year except where otherwise stated:

Barometers Limited (appointed 10 March 1998)
Barcosec Limited (appointed 10 March 1998)
Nicola Jane Guffogg (appointed 10 March 1998)
Lawrence James Kenworthy (appointed 10 March 1998)
Jeremy David Nicholson Thomas (appointed 10 March 1998)
Stephen James Ullman (appointed 10 March 1998)
Barclays Holdings Limited (resigned 10 March 1998)
Barclays Group Limited (resigned 10 March 1998)

DIRECTORS' INTERESTS IN STOCK (as defined in the Companies Act 1985)

Barometers Limited and Barcosec Limited have no beneficial interest in the shares of the company, its holding company or any fellow subsidiary. The other directors are also directors of Barclays Holdings Limited and their interests are disclosed in the accounts of that company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law 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 financial year and of the profit or loss of the company for the financial 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;

BARCLAYS CAPITAL LEASING (NO. 166) LIMITED

DIRECTORS' REPORT (Continued)

- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 obligations to appoint the auditors annually. Price Waterhouse were appointed auditors to the company on 19 March 1998. Price Waterhouse, the Company's auditor, merged with Coopers & Lybrand on 1 July 1998 to form a new firm, PricewaterhouseCoopers.

Price Waterhouse resigned as auditor with effect from 15 September 1998 and PricewaterhouseCoopers was appointed in its place. PricewaterhouseCoopers has signified its willingness to continue in office.

By order of the board.


Director

Date 29 October 1998

BARCLAYS CAPITAL LEASING (NO. 166) LIMITED

AUDITORS' REPORT

TO THE MEMBERS OF BARCLAYS CAPITAL LEASING (NO. 166) LIMITED

We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

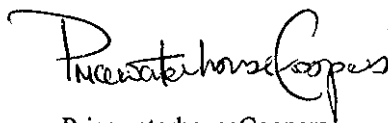
Basis of opinion

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 as at 31 December 1997 and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants
and Registered Auditors

29 Oct London
1998

BARCLAYS CAPITAL LEASING (NO. 166) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1997

During the year, the company did not carry on any business and received no income and incurred no expenditure. Consequently, the company has made neither profit or loss, nor any recognised gain or loss since incorporation.

BALANCE SHEET AS AT 31 DECEMBER 1997

	Note	1997 £	1996 £
CURRENT ASSETS			
Debtors	4	2	2
TOTAL NET ASSETS		<u>2</u>	<u>2</u>
CAPITAL AND RESERVES			
Called up share capital	5	2	2
Profit and loss account		-	-
TOTAL SHAREHOLDERS' FUNDS		<u>2</u>	<u>2</u>

The notes on pages 5 and 6 form an integral part of these accounts.

The board of directors approved the accounts on 29 October 1998.

L J Kenworthy L J Kenworthy (Director)

BARCLAYS CAPITAL LEASING (NO. 166) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1997

1. ACCOUNTING POLICIES

Basis of Accounting

The company was dormant throughout the year.

Cash Flow Statement

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

Related Party Transactions

The company has taken advantage of the exemption under 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. During the period there have been no transactions with related parties other than group companies.

2. DIRECTORS' EMOLUMENTS

None of the directors received any emoluments in respect of their services to the company during the year. The company made no loans to its directors during the year.

3. TAXATION

There was no tax charge.

4. DEBTORS

	1997 £	1996 £
Amounts due from group undertakings	2	2
	<u>2</u>	<u>2</u>

BARCLAYS CAPITAL LEASING (NO. 166) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1997

5. CALLED UP SHARE CAPITAL

	1997 £	1996 £
Authorised 100 ordinary shares of £1 each	100	100
Allotted, issued and fully paid 2 ordinary shares of £1 each.	2	2

6. AUDIT FEE

The audit fee is borne by the company's parent undertaking, Barclays Bank PLC.

7. 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.