

BANK OF IRELAND CORPORATE FINANCE LIMITED

Annual Report and Financial Statements

Year Ended 31 March 2003



BANK OF IRELAND CORPORATE FINANCE LIMITED

Registered No. 243841

DIRECTORS' REPORT

The directors present their report together with the audited financial statements for the year ended 31 March 2003.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company is the provision of financial advice.

RESULTS FOR THE YEAR

Profit for the financial year £97,308

The directors do not recommend payment of a dividend.

DIRECTORS

The names of the persons who were directors at any time during year ended 31 March 2003 are set out below, except where indicated, they served as directors for the entire year.

P.M. Crowley

R.G. Horner

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The following statement, which should be read in conjunction with the Auditors' Report set out on pages 3 and 4, 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.

Company Law requires the directors to ensure that financial statements, which give a true and fair view of the state of affairs of the company and of the profit or loss for the year, are prepared for each financial year.

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DIRECTORS' REPORT Continued

With regard to the financial statements on pages 5 to 9, the directors have determined that it is appropriate that they continue to be prepared on a going concern basis and consider that in their preparation:-

- suitable accounting policies have been selected and applied consistently;
- judgements and estimates that are reasonable and prudent have been made; and
- applicable accounting standards have been followed.

The directors have a responsibility for ensuring that proper books of account are kept which disclose the financial position of the company and which enable them to confirm that the financial statements comply with the Companies Acts 1985. They also 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.

AUDITORS

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

On behalf of the board

Director


P.M. Crowley

8 May 2003

BANK OF IRELAND CORPORATE FINANCE LIMITED

Registered No. 243841

INDEPENDENT AUDITORS' REPORT

To the Members of Bank of Ireland Corporate Finance Limited

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards are set out in the statement of Directors' responsibilities on pages 1 and 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards issued by the Auditing Practices Board.

This report, including the opinion, has been prepared for and only the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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.

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Registered No. 243841

AUDITORS' REPORT *continued*

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2003 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,
Dublin

8 May 2003

BANK OF IRELAND CORPORATE FINANCE LIMITED*Registered No. 243841*

PROFIT AND LOSS ACCOUNT

Year ended 31 March 2003

	Notes	2003 £	2002 £
Trading Income		500,216	497,000
Interest		40,637	52,449
		-----	-----
		540,853	549,449
Administrative Expenses	3	400,818	452,137
		-----	-----
Profit before Taxation		140,035	97,312
Taxation	4	(42,727)	(29,886)
		-----	-----
Profit after Taxation		97,308	67,426
Balance at beginning of year		1,133,646	1,066,220
		-----	-----
Balance at end of year		1,230,954	1,133,646
		=====	=====

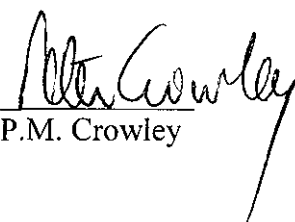
Turnover and operating profit arose solely from continuing operations. There were no recognised gains or losses other than those dealt with in the profit and loss account. All movements on reserves are included above.

The notes on pages 7 to 9 form part of these financial statements.

Approved by the directors on 8 May 2003.

On behalf of the board

Director


P.M. Crowley

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BALANCE SHEET

As at 31 March 2003

	Notes	2003 £	2002 £
CURRENT ASSETS			
Amounts Due from Group Companies	5	2,071,629	1,535,340
Debtors		369,489	421,229
		-----	-----
		2,441,118	1,956,569
CURRENT LIABILITIES			
Amounts Due to Group Companies	5	740,207	415,429
Creditors		287,070	212,391
Taxation		7,887	20,103
		-----	-----
		1,035,164	647,923
NET CURRENT ASSETS		-----	-----
		1,405,954	1,308,646
TOTAL ASSETS LESS CURRENT LIABILITIES		-----	-----
		=====	=====
CAPITAL AND RESERVES			
Share Capital	6	175,000	175,000
Revenue Reserves		1,230,954	1,133,646
		-----	-----
SHAREHOLDERS' FUNDS (All Equity)	8	1,405,954	1,308,646
		=====	=====

The notes on pages 7 to 9 form part of these financial statements

Approved by the directors on 8 May 2003.

On behalf of the board

Director


P.M. Crowley

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NOTES TO THE ACCOUNTS

1. Accounting Policies

- a) The financial statements are prepared under the historical cost convention.
- b) Income and expenses are included in the accounts on an accruals basis.

2. Holding Company

The company's immediate parent is The Investment Bank of Ireland Limited and its ultimate parent is Bank of Ireland, which is incorporated in Ireland. Copies of the financial statements of Bank of Ireland Group may be obtained from the Company Secretary, Bank of Ireland Head Office, Lower Baggot Street, Dublin 2.

3. Administrative Expenses:

Expenses include:	2003	2002
	£	£
Staff Costs		
Wages and Salaries	309,197	387,367
Social Security Costs	34,363	19,167
Pension Costs	12,000	4,000
Average number of employees during the year	3	3

The audit fee is borne by a fellow group company The Investment Bank of Ireland Limited.

4. Taxation

The current tax charge for the year is higher than the current charge that would result from applying the standard rate of UK tax to profit on ordinary activities. The differences are explained below:

	2003	2002
	£	£
Profit on Ordinary activities before tax	140,035	97,312
Profit on Ordinary activities multiplied by the Average rate of Corporation Tax in the UK for the year of 30% (2002 : 30%)	42,011	29,194
Effects of:		
Disallowable Expenses	750	767
Writing Down Allowances	(34)	45
Overprovision previous year	0	(120)
	-----	-----
	42,727	29,886

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NOTES TO THE ACCOUNTS Continued

5. Amounts Due from Group Companies

Amounts due / from Group Companies are unsecured and have no fixed date of repayment.

6. Share Capital

	2003	2002
	£	£
Authorised 500,000 Ordinary shares of £1 each.		
Allotted and Fully Paid.	175,000	175,000
	=====	=====

7. Directors' and Secretary's Shareholding

The ultimate holding company is the Governor & Co. of the Bank of Ireland. The interests, all beneficial, of the directors and secretary of Bank of Ireland Corporate Finance Limited in office at 31 March 2003 in the share capital of Bank of Ireland Corporate Finance Limited and other companies within the Bank of Ireland Group at the beginning and end of the year were:

Bank of Ireland

Units of €0.64 Ordinary Stock

	2003	2002
Directors	Shareholding	Shareholding
P.M. Crowley	1,019	1,019
R.G. Horner	203	-
Secretary		
S.R. Neary		13,271

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NOTES TO THE ACCOUNTS *Continued*

8. Reconciliation of Movements in Shareholders' Funds

	2003 £	2002 £
Opening Shareholders' Funds	1,308,646	1,241,220
Profit for the Financial Year	97,308	67,426
Closing Shareholders' Funds	<u>1,405,954</u>	<u>1,308,646</u>

9. Securities and Futures Authority Limited

The Company is a corporate finance advisory firm under the rules of the Securities and Futures Authority Limited.

10. Related Party Transactions & Cashflow Statement

Transactions with other companies within the Group are not disclosed as the company has taken advantage of the exemption available under Financial Reporting Standard No. 8 - Related Party Disclosures - on the basis that the consolidated financial statements of Bank of Ireland Group are available from the Group Secretary. The company has also taken advantage of the exemption from preparing a cashflow statement under the terms of Financial Reporting Standard 1 (Revised 1996).