

### **DIRECTOR'S REPORT**

The Director presents its Report and Accounts for the year ended 31<sup>st</sup> December 2002. During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during these years the company made neither a profit nor a loss.

#### **Activities**

The Company has been dormant (as defined by S250 (3) Companies Act 1985) during the year and will continue to remain dormant for the foreseeable future.

#### **Directors**

The Director who held office during the year was:

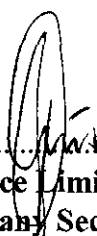
Alliance & Leicester (Holdings) Limited

The Director had no beneficial interests in shares, debentures or options of either the Company or Alliance and Leicester plc or any of its subsidiary undertakings during the year.

#### **Corporate Governance**

The Company's policies on Corporate Governance are consistent with those established at Group level and referred to in the Group Report and Accounts of Alliance & Leicester plc for 2002.

APPROVED BY THE BOARD  
ON 15 JULY 2003 AND  
SIGNED ON THEIR BEHALF BY:

  
.....  
**Alliance Limited**  
**Company Secretary**



**BALANCE SHEET**

	<u>Notes</u>	<u>£</u> 2002	<u>£</u> 2001
<b><u>CURRENT ASSETS</u></b>			
Cash at Bank and In hand		2	2
		_____	_____
Net Assets		2	2
		_____	_____
<b><u>CAPITAL and RESERVES</u></b>			
Called up share Capital	3	2	2
		_____	_____
Equity Shareholders funds		2	2
		_____	_____

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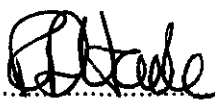
For the year ended 31 December 2001 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2)

The directors acknowledge their responsibility for:

- a) Ensuring the company keeps accounting records which comply with section 221;
- b) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

APPROVED BY THE BOARD  
 ON 15 JULY 2003 AND  
 SIGNED ON THEIR BEHALF BY:

  
 .....  
**Alliance & Leicester (Holdings) Limited**  
**Director**

The attached notes form part of these accounts

## NOTES TO THE ACCOUNTS

### 1. BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

### 2. DIRECTORS' EMOLUMENTS

The Director received no emoluments in respect of qualifying services during the year (2001: £Nil)

### 3. SHARE CAPITAL

	2002	2001
Authorised:	£	£
100 Ordinary Shares of £1 each	100	100
	===	===
Issued and fully paid:		
2 Ordinary Shares of £1 each	2	2
	===	===

### 4. ULTIMATE PARENT

The ultimate parent undertaking and controlling entity is Alliance & Leicester Plc. Group Accounts for the parent company for 2002 are drawn up and available from its Registered Office at:

Carlton Park, Narborough, Leicester LE19 0AL