

# **Burford Treasury Limited**

**Directors' report and financial statements**

**30 November 2001**

Registered number 04191021



# Burford Treasury Limited

<i>Contents</i>	<i>Page</i>
Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes	6-8

# Burford Treasury Limited

## Directors' report

The directors present their report and the audited financial statements for the five months ended 30 November 2001.

### Principal activity and business review

The company's principal activity is managing the group treasury function.

### Results and dividends

The profit for the period of £6,811 (June 2001: profit £521) has been transferred to reserves. No dividends were paid during the period.

### Directors and directors' interest

The directors who held office during the period were as follows:

J Gleek  
RJ Anderson

None of the directors had any interests in the share capital of the company.

The directors' interest in the shares of the company's intermediate holding company, Burford Holdings Limited, are disclosed in the accounts of that company.

By Order of the Board



J Gleek  
Director

20 Thayer Street  
London  
W1U 2DD

31 October 2002

# Burford Treasury Limited

## **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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; and
- 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 which enable them to ensure that the financial statements comply with the Companies Act 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.

The above statement should be read in conjunction with the statement of auditors' responsibilities, set out in the audit report on page 3.

kpmg

KPMG Audit Plc  
PO Box 695  
8 Salisbury Square  
London EC4Y 8BB  
United Kingdom

## **Independent auditors' report to the members of Burford Treasury Limited**

We have audited the financial statements on pages 4 to 8.

### *Respective responsibilities of directors and auditors*

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by 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 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 with the company is not disclosed.

### *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 as at 30 November 2001, and of its profit for the period ended and have been properly prepared in accordance with the Companies Act 1985.



**KPMG Audit Plc**  
Chartered Accountants  
Registered Auditor

31 October 2002

# Burford Treasury Limited

## Profit and loss account

for the five months ended 30 November 2001

	Note	Five months ended 30 Nov 2001 £	Three months ended 30 June 2001 £
Interest receivable		10,316	744
Bank charges		(587)	-
<b>Profit on ordinary activities before taxation</b>	2	<b>9,729</b>	<b>744</b>
Taxation	4	(2,918)	(223)
<b>Retained profit for the period</b>	10	<b>6,811</b>	<b>521</b>

All activities are continuing.

There is no material difference between the results disclosed in the profit and loss account and the results on a historical cost basis.

There were no recognised gains and losses other than those reported above.

# Burford Treasury Limited

## Balance sheet

at 30 November 2001

	Note	30 Nov 2001 £	30 June 2001 £
<b>Current assets</b>			
Debtors	5	296,869	759
Cash		(286,395)	2,668,863
		<u>10,474</u>	<u>2,669,622</u>
<b>Creditors: amounts falling due within one year</b>	6	<u>(3,141)</u>	<u>(223)</u>
<b>Net current assets</b>		<u>7,333</u>	<u>2,669,399</u>
<b>Total assets less current liabilities</b>		<u>7,333</u>	<u>2,669,399</u>
<b>Creditors: amounts falling due after more than one year</b>	7	<u>-</u>	<u>(2,668,877)</u>
<b>Net assets</b>		<u>7,333</u>	<u>522</u>
<b>Capital and reserves</b>			
Called up share capital	8	1	1
Profit and loss account	9	<u>7,332</u>	<u>521</u>
<b>Equity shareholders' funds</b>	10	<u>7,333</u>	<u>522</u>

These financial statements were approved by the board of directors on 31 October 2002 and were signed on its behalf by:

  
J Gleek  
Director

# Burford Treasury Limited

## Notes to the accounts

*(forming part of the financial statements)*

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

#### *Cash flow statement*

The cash flow statement included in the consolidated financial statements of the intermediate holding company, Burford Holdings Limited complies with the conditions of Financial Reporting Standard No.1 (revised 1996) 'Cash flow statements' (FRS1). The company therefore is exempt under FRS1 from the requirement to prepare a separate cash flow statement.

#### *Related party transactions*

As the company is a wholly owned subsidiary of Lehman Brothers Holdings Inc., it has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances which form part of the group (or investees of the group qualifying as related parties).

### 2. Profit on ordinary activities before taxation

The auditors' remuneration was borne by a fellow subsidiary, Burford Group Limited.

### 3. Staff numbers and costs

Other than the directors, the company had employed no staff during the period.

No director received any remuneration for their services as directors of the company during the period.

### 4. Taxation

	Five months ended 30 Nov 2001 £	Three months ended 30 June 2001 £
UK corporation tax at 30% on the profit on ordinary activities	<u>2,918</u>	<u>223</u>



# Burford Treasury Limited

## Notes continued

### 5. Debtors

	30 Nov 2001 £	30 June 2001 £
Amounts due from group undertakings	292,838	-
Accrued income	4,031	759
	<u>296,869</u>	<u>759</u>

All debtors are due within one year.

### 6. Creditors: amounts falling due within one year

	30 Nov 2001 £	30 June 2001 £
Corporation tax	<u>3,141</u>	<u>223</u>

### 7. Creditors: amounts falling due after more than one year

	30 Nov 2001 £	30 June 2001 £000
Amounts owed to group undertakings	<u>-</u>	<u>2,668,877</u>

### 8. Called up share capital

	30 Nov 2001 £	30 June 2001 £
<b>Authorised</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

# Burford Treasury Limited

## Notes continued

### 9. Reserves

	Profit and loss account £
At 1 July 2001	521
Retained profit for the financial period	<u>6,811</u>
<b>At 30 November 2001</b>	<b><u>7,332</u></b>

### 10. Reconciliation of movements in shareholders' funds

	30 Nov 2001 £	30 June 2001 £
Issue of ordinary shares	-	1
Profit for the financial period	6,811	521
<b>Net increase in shareholders' funds</b>	<b><u>6,811</u></b>	<b><u>522</u></b>
Opening shareholders' funds	<u>522</u>	<u>-</u>
<b>Closing shareholders' funds</b>	<b><u>7,333</u></b>	<b><u>522</u></b>

### 11. Ultimate holding company

The company's ultimate holding company is Lehman Brothers Holdings Inc., a company incorporated in the state of Delaware in the USA.

The largest group in which the results of the company are consolidated is that headed by Lehman Brothers Holdings Inc. The smallest group in which they are consolidated is that headed by Burford Holdings Limited, a company registered in England and Wales.

The consolidated accounts of the ultimate holding company are available to the public from 399, Park Avenue, New York, USA and from One Broadgate, London.