

BANKAMERICA NOMINEES LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1998**

REGISTERED NUMBER: 410014



BANKAMERICA NOMINEES LIMITED

REPORT AND FINANCIAL STATEMENTS

For the year ended 31st December 1998

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BANKAMERICA NOMINEES LIMITED

OFFICERS AND PROFESSIONAL ADVISORS

Directors

Stephen B. Clowes
Dermot J. McMullan
Geoffrey A. Witham

Secretary

Stephen B. Clowes

Registered Office

Bank of America House
1 Alie Street
London E1 8DE

Auditors

Ernst & Young

BANKAMERICA NOMINEES LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31st December 1998.

1. Principal activities

The company is a nominee company and does not trade.

2 Review of the business

The company has made neither a profit nor a loss during the current or preceding year.

3. Dividend

The directors do not recommend the payment of a dividend (1997 - £ nil).

4. Directors

The present directors are shown on page 1. The directors who served throughout the period to the date of this report were:

Stephen B. Clowes
Dermot J McMullan
Geoffrey A. Witham

The directors have not at any time during the period held any beneficial interest in the shares of the company or any other group company incorporated in the United Kingdom.

5. Auditors

Following the merger of BankAmerica and NationsBank NA in October 1998, PricewaterhouseCoopers were appointed as auditors of the Company by the directors on 22 October 1999 in place of Ernst and Young.

Pursuant to Section 386 of the Companies Act 1985, an elective resolution was passed resolving that the Company dispenses with the requirement to appoint auditors annually. PricewaterhouseCoopers will accordingly remain as auditors until the Company decides otherwise in general meeting.

BANKAMERICA NOMINEES LIMITED

DIRECTORS' REPORT CONTINUED

6. Year 2000

In conjunction with the parent company Bank of America Corporation, the Directors are continuing to review the impact of the Year 2000 on the operations of the business. A global steering committee has been established to ensure information technology and business areas identify and address risks associated with the Year 2000 issue.

Based upon current information the Bank of America Corporation estimates, that the total cost of the Year 2000 project will be approximately \$550 million for the group as a whole. Of this amount, the Corporation has incurred cumulative Year 2000 costs of approximately \$410 million through 31 December 1998. A significant portion of the foregoing cost is not expected to be incremental to the Corporation but instead will constitute a reallocation of existing internal systems technology resources and, accordingly, will be funded from normal operations.

The Year 2000 costs include all activities undertaken on Year 2000 related matters across the organisation, including, but not limited to, remediation, internal and external testing, third party review, risk mitigation and contingency planning. The majority of remaining costs are expected to be directed primarily towards testing activities.

By order of the board

A handwritten signature in black ink, appearing to read 'S. Jones', written over a horizontal line.

Director

22 October 1999

BANKAMERICA NOMINEES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Under The Companies Act 1985, the directors are required to prepare financial statements for each financial year 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, subject to any material departures disclosed and explained in the financial statements;
- * 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 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.

REPORT OF THE AUDITORS, ERNST & YOUNG

TO THE MEMBERS OF BANKAMERICA NOMINEES LIMITED

We have audited the financial statements on pages 6 to 7, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 4, 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 financial 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 31st December 1998 and have been properly prepared in accordance with The Companies Act 1985.



Ernst & Young
Registered Auditors
London

22 October 1999

BANKAMERICA NOMINEES LIMITED

BALANCE SHEET AT 31ST DECEMBER 1998

	Note	1998 £	1997 £
Current assets			
Cash at bank		<u>100</u>	<u>100</u>
Capital and reserves			
Called up share capital	3	<u>100</u>	<u>100</u>

Approved by the Board of Directors on 22 October 1999.


Director

The notes on page 7 form part of these financial statements

BANKAMERICA NOMINEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 1998

1. BASIS OF ACCOUNTING

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

2. PROFIT AND LOSS ACCOUNT

During the current and preceding year the company received no income and incurred no expenditure and therefore has made neither a profit nor a loss in either year.

3. SHARE CAPITAL

Authorised, allotted, called up and fully paid:
100 ordinary shares of £1 each

1998 £	1997 £
<u>100</u>	<u>100</u>

4. ULTIMATE HOLDING COMPANY

The ultimate holding company is Bank of America Corporation, which is incorporated in the United States of America. Copies of Bank of America Corporation's accounts can be obtained from the Corporate Secretary's Office, 101 South Tryon Street, Charlotte, North Carolina, 28255, USA.

Report of the Directors and
Financial Statements for the Year Ended 31st December 1998
for
W. R. Davies (Motors) Limited
Consolidated Financial Statements