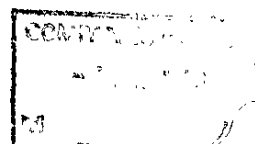


LLOYDS BOWMAKER BUSINESS LEASING LIMITED

REPORT OF THE DIRECTORS AND ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1991



LLOYD'S BANKING BUSINESS LEASING LIMITED

DIRECTORS

D. A. Baggaley
A. G. Glass

REPORT OF THE DIRECTORS

The directors submit herewith the Balance Sheet at 30th September 1991 together with the Profit and Loss Account for the year ended on that date.

PROFIT AND DIVIDEND

The profit for the year is set out in the attached Profit and Loss Account. The directors do not propose the payment of a dividend.

PRINCIPAL ACTIVITY

The principal activity of the company is leasing.

BUSINESS REVIEW

Both the level of business transacted during the year and the year end financial position were satisfactory, and the directors anticipate continuation of the level of activity.

DIRECTORS

Mr P. D. Francis and Mr R. E. Macauley resigned as directors on 23rd October 1990 and Mr D. A. Baggaley and Mr A. G. Glass were appointed on that date.

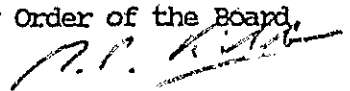
Neither of the directors had a beneficial interest in the shares of the company during the period. The interests of the directors in shares and options to subscribe for shares in other group companies were as follows:-

	<u>At 30.9.91</u>		<u>Options</u>		<u>Options</u>		<u>At date</u>	
	<u>Shares</u>	<u>Options</u>	<u>during year</u>	<u>granted</u>	<u>during year</u>	<u>exercised</u>	<u>of appointment</u>	
In the ordinary shares of £1 each of Lloyds Bank Plc:								
D. A. Baggaley	-	-	-	-	-	-	-	-
A. G. Glass	4,300	3,592	-	-	-	-	4,300	3,592
In the ordinary shares of 5p each of Lloyds Abbey Life plc:								
D. A. Baggaley	2,000	91,818	20,151		49,293		2,000	120,960
A. G. Glass	-	1,464	-		-		-	1,464

AUDITORS

At the Annual General Meeting held on 26th April 1991, the company elected to dispense with the holding of Annual General Meetings and to dispense with the obligation to appoint auditors annually.

By Order of the Board


M. P. KILBEE
Secretary
Bournemouth
3rd April 1992

Registered number 586974

REPORT OF THE AUDITORS TO THE MEMBERS OF
LLOYDS BOWMAKER BUSINESS LEASING LIMITED

We have audited the accounts on pages 3 to 8 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the company's affairs at 30th September 1991 and of its profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse.

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditor
Albany House
58 Albany Street
Edinburgh EH1 3QR
3rd April 1992

LLOYDS HOMAKER BUSINESS LEASING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH SEPTEMBER 1991

	<u>Notes</u>	<u>Year to</u> <u>30.9.91</u> <u>£</u>	<u>9 Months to</u> <u>30.9.90</u> <u>£</u>
TURNOVER	2	214,942	4,221
INTEREST PAYABLE	4	(92,309)	-
OTHER OPERATING COSTS		(25,430)	(100)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	97,203	4,121
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	5	(14,744)	(1,442)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		82,459	2,679
RETAINED PROFIT BROUGHT FORWARD		2,679	-
RETAINED PROFIT CARRIED FORWARD		85,138	2,679

The notes on pages 6 to 8
form part of these accounts.

LLOYDS BOWMAKER BUSINESS LEASING LIMITED

BALANCE SHEET

AT 30TH SEPTEMBER 1991

	<u>Notes</u>	<u>1991</u> £	<u>1990</u> £
CURRENT ASSETS			
Debtors : due within one year	6	16,081,931	176,589
due after more than one year	6	11,835,425	-
		<u>27,917,356</u>	<u>176,589</u>
Creditors: amounts due within one year	7	(22,051,961)	(152,688)
NET CURRENT ASSETS		<u>5,865,395</u>	<u>23,901</u>
PROVISIONS FOR LIABILITIES AND CHARGES	8	(1,213,000)	(1,710)
ACCRUALS AND DEFERRED INCOME	9	(4,557,257)	(9,512)
		<u>95,138</u>	<u>12,679</u>
CAPITAL AND RESERVES			
CALLED-UP SHARE CAPITAL	10	10,000	10,000
PROFIT AND LOSS ACCOUNT		<u>85,138</u>	<u>2,679</u>
		<u>95,138</u>	<u>12,679</u>

The notes on pages 6 to 8 form part of these accounts.


D. A. BAGGAILEY
Director

LLOYDS BOWMAKER BUSINESS LEASING LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 30TH SEPTEMBER 1991

	Year to <u>30.9.91</u> £	9 Months to <u>30.9.90</u> £
SOURCE OF FUNDS:		
Profit on ordinary activities before taxation	<u>97,203</u>	<u>4,121</u>
ANALYSED AS FOLLOWS:		
Increase in trade and other debtors less deferred income	19,125,080	156,909
Increase (decrease) in amount owed by group companies	2,871,396	(100)
Increase in trade and other creditors	(6,881,924)	(152,688)
Increase in amounts owed to group companies	<u>(15,017,349)</u>	<u>-</u>
	<u>97,203</u>	<u>4,121</u>

LLOYDS POWELL & COY. BUSINESS LEASING LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Accounting Convention:

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

(b) Deferred Income:

Income from leasing contracts is credited to the profit and loss account over the period of investment in proportion to the level of net funds invested.

(c) Deferred Taxation:

Deferred taxation is provided at appropriate rates of corporation tax in respect of timing differences where there is a reasonable probability that such taxation will become payable in the foreseeable future.

2. TURNOVER

Turnover represents the amount of leasing income earned under instalment finance arrangements.

During the year aggregate receivables were £606,151 (9 Months to 30.9.90, £13,557). The cost of assets acquired during the year under leasing contracts was £18,033,308 (9 Months to 30.9.90, £152,688).

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Year to	9 Months to
<u>30.9.91</u>	<u>30.9.90</u>
£	£

The following have been taken into account in arriving at the profit:

Audit fee	1,000	100
Directors' emoluments	-	-
Bad and doubtful debts	6,884	-

4. INTEREST PAYABLE

On loan from group company	92,309	-
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5. TAXATION

Current year:

Group relief receivable at 33.5% (9 Months to 30.9.90, 35%)	1,196,546	268
Transfer to deferred taxation	(1,211,290)	(1,710)
	<u>(14,744)</u>	<u>(1,442)</u>

The tax charge for the year has benefited to the extent of £18,000 from the reduction in the rate of taxation from 35%.

LLOYDS BOYMAKER BUSINESS LEASING LIMITED

NOTES TO THE ACCOUNTS

6. DEBTORS	<u>1991</u>		<u>1990</u>	
	Due within <u>one year</u> £	Due after more than <u>one year</u> £	Due within <u>one year</u> £	Due after more than <u>one year</u> £
Trade debtors:				
Rentals receivable under leasing contracts, less provisions	9,781,805	11,835,425	166,421	-
Amounts owed by parent and fellow subsidiary companies	2,881,296	-	9,900	-
Amount receivable for group relief	1,196,814	-	268	-
Other debtors	2,222,016	-	-	-
	<u>16,081,931</u>	<u>11,835,425</u>	<u>176,589</u>	<u>-</u>

7. CREDITORS: amounts falling due within one year	<u>1991</u>	<u>1990</u>
	£	£
Amounts owed to parent and fellow subsidiary companies	15,017,349	-
Trade creditors	7,022,474	152,688
Other creditors	12,138	-
	<u>22,051,961</u>	<u>152,688</u>

8. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred Tax:

Balance at 30th September 1990	1,710
Transfer from Profit and Loss Account	1,211,290
Balance at 30th September 1991	<u>1,213,000</u>

The amounts provided at 30th September 1991 and 1990 were the full potential liabilities and were attributable to accelerated capital allowances.

9. ACCRUALS AND DEFERRED INCOME

	<u>1991</u>	<u>1990</u>
	£	£
Unearned leasing income	4,553,938	9,512
Unearned credit insurance commission	3,319	-
	<u>4,557,257</u>	<u>9,512</u>

LLOYDS BOWMAKER BUSINESS LEASING LIMITED

NOTES TO THE ACCOUNTS

10. SHARE CAPITAL	<u>1991</u>	<u>1990</u>
	£	£
Authorised, allotted, called-up and fully paid: 10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

11. APPROVAL OF ACCOUNTS

These accounts were approved by the Board of Directors on 3rd April 1992.

12. PARENT COMPANIES

The company's ultimate parent company is Lloyds Bank Plc which is registered in England and Wales. A copy of its group accounts can be obtained from Lloyds Bank Plc, 71 Lombard Street, London EC3P 3BS.

The company's intermediate parent company is Lloyds Bowmaker Finance Limited which is registered in England and Wales. A copy of its group accounts can be obtained from Lloyds Bowmaker Finance Limited, Holland House, Oxford Road, Bournemouth BH8 8EZ.