

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

WE HEREBY CERTIFY THAT THE ATTACHED ACCOUNTS  
ARE A TRUE COPY OF THOSE LAID BEFORE THE  
ANNUAL GENERAL MEETING OF THE COMPANY HELD  
AT LOMBARD HOUSE, CURZON STREET, LONDON, W.1.  
ON 17th December 1976

*R.T. Barnes*.....DIRECTOR

*Arthur*.....SECRETARY

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LOMBARD NORTH CENTRAL WHEELEASE LIMITED

DIRECTORS' REPORT AND ACCOUNTS  
30TH SEPTEMBER, 1976

PEAT, MARWICK, MITCHELL & CO.  
1 Puddle Dock, Blackfriars, London EC4V 3PD.



LOMBARD NORTH CENTRAL WHEELEASE LIMITED

REPORT OF THE DIRECTORS

To be submitted at the annual general meeting of the members to be held at Lombard House, Curzon Street, London W1A 1EU on Friday, 17th December, 1976 at 12.10 p.m.

Profit and appropriations:

The profit for the year before taxation amounted to £137,475 (1975: £29,414). The profit for the year after taxation was £74,305 (1975:£13,452). No dividend is proposed on the ordinary share capital (1975:£nil).

Activities:

The company's principal activity is the provision of credit finance by way of hire purchase and leasing.

Directors:

The directors throughout the year were:

R.J. Barnes  
E. Jones  
R.J. Young

Mr. R.J. Barnes retires by rotation and, being eligible, offers himself for re-election.

Directors' interests in the share capital of the company at 30th September, 1975 and 1976 were:

E. Jones  
R.J. Young

Ordinary shares

1  
1

Mr. R.J. Barnes is a director of the holding company, Lombard North Central Limited, and is not, therefore, required to notify the company of his interests.

By order of the board



Secretary

REPORT OF THE AUDITORS TO THE MEMBERS OF  
LOMBARD NORTH CENTRAL WHEELEASE LIMITED

We have examined the accounts set out on pages 3 to 6 which have been prepared under the historical cost convention. In our opinion they give, under that convention, a true and fair view of the state of the company's affairs at 30th September, 1976 and of the profit for the year to that date and comply with the Companies Acts, 1948 and 1967.

LONDON

1st December, 1976

*Robert Marshall Mitchell*

Chartered Accountants

LOMBARD NORTH CENTRAL WHEELESE LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30TH SEPTEMBER, 1976

	<u>Note</u>	<u>1976</u>	<u>1975</u>
TURNOVER	2	<u>£3,100,522</u>	<u>£ 76,748</u>
PROFIT BEFORE TAXATION		137,475	29,414
Taxation:			
Taxation based on profits			
for the year:			
Corporation tax	£ -	£16,188	
Amount receivable in			
respect of group relief	(1,357,012)	-	
	(1,357,012)	16,188	
Deferred taxation	1,420,182	-	
Prior years	-	(226)	
		<u>63,170</u>	<u>15,962</u>
PROFIT AFTER TAXATION		74,305	13,452
Balance brought forward			
from previous year		125,588	112,136
BALANCE CARRIED FORWARD		<u>£ 199,893</u>	<u>£125,588</u>

The notes referred to above  
form part of these accounts.

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

BALANCE SHEET AT 30TH SEPTEMBER, 1976

	<u>Note</u>	<u>1976</u>	<u>1975</u>
<b>EMPLOYMENT OF CAPITAL</b>			
Fixed assets	6	£2,735,752	£ -
Current assets:			
Debtors	7	£ 186,433	£ 87,753
Cash in hand		1	-
Due from holding companies			
(including £1,357,012 (1975:			
fnil) in respect of group			
relief)		<u>1,357,284</u>	<u>141,798</u>
		<u>1,543,718</u>	<u>229,551</u>
Current liabilities:			
Creditors		£ 558,319	£ 10,542
Overdraft with ultimate			
holding company		29,492	23,627
Due to fellow subsidiary			
company in respect of group			
relief		16,189	14,424
Corporation tax		-	<u>30,370</u>
		<u>604,000</u>	<u>78,963</u>
Net current assets		939,718	150,588
		<u>£3,675,470</u>	<u>£150,588</u>
<b>CAPITAL EMPLOYED</b>			
Share capital	8	£ 25,000	£ 25,000
Profit and loss account		<u>199,893</u>	<u>125,588</u>
Shareholders' funds		224,893	150,588
Deferred taxation	1	1,420,182	-
Due to holding company	9	2,030,395	-

The notes referred to above  
form part of these accounts.

*R. T. Blaine*  
Directors  
*Robert A. Jones*

£3,675,470

£150,588

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

NOTES ON THE ACCOUNTS

1. ACCOUNTING POLICIES

Income:

Charges and interest on instalment credit agreements are credited to profit and loss account over the period during which repayments fall due in proportion to the monthly balances outstanding.

In the case of leasing agreements, the excess of total primary rentals over the cost of the asset (net of grants) is credited to profit and loss account over the primary period of the agreement in proportion to the reducing outstanding primary rentals.

Depreciation:

Equipment leased is depreciated to give effect to the basis of income recognition referred to above.

Deferred taxation:

The taxation effect of all material timing differences between the profits stated in the accounts and the profits computed for tax purposes is dealt with as deferred taxation using the liability method.

2. TURNOVER

This represents amounts financed net of interest under all agreements entered into during the year.

3. PROFIT BEFORE TAXATION

The profit before taxation is arrived at after charging the following items:

	<u>1976</u>	<u>1975</u>
Interest payable - holding companies	£ 81,957	£ 468
Depreciation on leased assets	231,825	-
Auditors' remuneration	500	400
	<u>          </u>	<u>          </u>

4. TAXATION

Corporation tax has been provided at the rate of 52% (1975:52%) on profits for the year.

The charge in respect of prior years consists of:

	<u>1976</u>	<u>1975</u>
Corporation tax	(£ 16,189)	£ 226
Amount payable in respect of group relief	<u>16,189</u>	<u>-</u>
	<u>£ -</u>	<u>£ 226</u>

5. DIRECTORS' EMOLUMENTS

No emoluments were paid to any directors during the year (1975:£nil).

LOMBARD NORTH CENTRAL WHEELESE LIMITED

NOTES ON THE ACCOUNTS  
(continued).

6. **FIXED ASSETS**
- |                         | <u>Equipment</u> | <u>leased</u>     |
|-------------------------|------------------|-------------------|
| Cost:                   |                  |                   |
| At 1st October, 1975    | £                | -                 |
| Additions               |                  | <u>2,967,577</u>  |
| At 30th September, 1976 |                  | <u>£2,967,577</u> |
| Depreciation:           |                  |                   |
| At 1st October, 1975    | £                | -                 |
| Charged in year         |                  | <u>231,825</u>    |
| At 30th September, 1976 | £                | <u>231,825</u>    |
| Net book amount:        |                  |                   |
| At 30th September, 1976 |                  | <u>£2,735,752</u> |
| At 1st October, 1975    | £                | <u>-</u>          |
7. **DEBTORS**  
Debtors are stated net of deferred charges amounting to £36,086 (1975: £26,046) and of provisions for bad and doubtful debts.
8. **SHARE CAPITAL**
- |                                                                   | <u>Authorised</u> | <u>Issued and fully paid</u> |
|-------------------------------------------------------------------|-------------------|------------------------------|
| At 30th September, 1975 and 1976:<br>Ordinary shares of 12½p each | <u>£25,000</u>    | <u>£25,000</u>               |
9. **HOLDING COMPANY**  
The directors are of the opinion that the balance due to the holding company is not currently repayable, being utilised to finance the fixed assets. Interest on the balance is charged at normal inter-group rates.
10. **CAPITAL COMMITMENTS**
- |                                                                                                                      | <u>1976</u>       | <u>1975</u> |
|----------------------------------------------------------------------------------------------------------------------|-------------------|-------------|
| Contracts for capital expenditure not provided for in the accounts amount to                                         | <u>£185,000</u>   | <u>£ -</u>  |
| Capital expenditure authorised by the directors for which contracts have not yet been placed amount to approximately | <u>£1,506,000</u> | <u>£ -</u>  |
11. **ULTIMATE HOLDING COMPANY**  
The ultimate holding company is National Westminster Bank Limited, a company incorporated in England.



LOMBARD NORTH CENTRAL WHEELEASE LIMITED

DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30TH SEPTEMBER, 1976

	<u>1976</u>	<u>1975</u>
Rentals on equipment leased	£453,400	£ -
Depreciation	<u>231,825</u>	<u>-</u>
	221,575	-
Charges receivable	<u>30,334</u>	<u>37,477</u>
Total revenue	251,909	37,477
Interest charges:		
Holding companies	£81,957	£ 468
Management charges:		
Holding company	£1,177	£2,852
Fellow subsidiary company	2,813	-
Rugby Autour Company Limited	<u>-</u>	<u>2,500</u>
	3,990	5,352
Debtors provision	(12,989)	1,137
Dealer commission	362	-
Revenue items	38,133	-
Auditors' remuneration	650	400
Other expenses	<u>2,331</u>	<u>706</u>
	114,434	8,063
PROFIT BEFORE TAXATION	<u>£137,475</u>	<u>£29,414</u>