

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 1993

Lombard North Central Wheelease Limited is registered in England and Wales No. 671321
Registered Office: Lombard House, 3 Princess Way, Redhill, Surrey, RH1 1NP.



A92MR24X

A07 RECEIPT DATE:15/06/94

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

DIRECTORS

B A Carte (Chairman)
J D Fitch
M A Maberly
J D Purdy

SECRETARY

M J Evans

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the financial statements for the year ended 30 September 1993.

PRINCIPAL ACTIVITY

The principal activity of the Company is the provision of credit finance by way of instalment credit and leasing.

BUSINESS REVIEW

The net amount financed under all forms of financial agreements entered into during the year was £1,656,000 (1992 - £205,000).

The profit on ordinary activities before taxation was £1,023,000 (1992 - £8,178,000) on which there was a taxation charge of £305,000 (1992 - £2,639,000). The Directors have approved the payment of an interim dividend of £6,000,000 (1992 - £5,300,000) and recommend that no final dividend be paid (1992 - £nil). The balance of £(5,282,000) (1992 - £239,000) has been dealt with as shown in the Profit and Loss Account on page 5.

The Company traded profitably during the year under review and the Directors expect that it will continue to do so.

DIRECTORS

The present members of the Board are as shown on page 1.

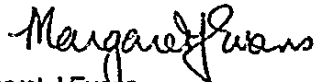
DIRECTORS' INTERESTS

All of the Directors at the year end were also Directors of the immediate parent undertaking, Lombard North Central PLC, and were not therefore required to notify the Company of their interests in the share and loan capital of National Westminster Bank Plc Group undertakings.

AUDITORS

Pursuant to a shareholders' resolution, the Company is not obliged to appoint its auditors annually and KPMG Peat Marwick will, therefore, continue in office.

By Order of the Board



Margaret J Evans
Secretary

31 May

1994

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

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 for that period. In preparing those financial statements, the Directors are required to:-

- i. select suitable accounting policies and then apply them consistently;
- ii. make judgements and estimates that are reasonable and prudent ;
- iii. state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- iv. 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

REPORT OF THE AUDITORS: KPMG PEAT MARWICK, TO THE MEMBERS OF

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

We have audited the financial statements on pages 5 to 12.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3 the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit of those 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 30 September 1993 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Peat Marwick
Chartered Accountants
Registered Auditors

31 May 1994

Guildford

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 1993

	Note	1993 £'000	1992 £'000
Turnover	2	2,667	10,309
Operating charges		(333)	(897)
Operating profit	3	2,334	9,412
Interest receivable	4	2,160	1,793
Interest payable	5	(3,471)	(3,027)
Profit on ordinary activities before taxation		1,023	8,178
Taxation charge on profit on ordinary activities	7	(305)	(2,639)
Profit on ordinary activities after taxation		718	5,539
Interim dividend		(6,000)	(5,300)
(Deficit)/surplus for the financial year transferred (from)/to general reserve	10	(5,282)	239

RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit attributable to shareholders of the Company of £718,000 in the year ended 30 September 1993 and of £5,539,000 in the year ended 30 September 1992.

The notes on pages 7 to 12 form part of these financial statements.

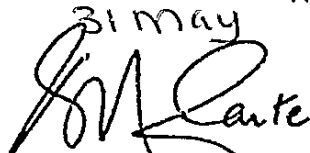
LOMBARD NORTH CENTRAL WHEELEASE LIMITED

BALANCE SHEET

AT 30 SEPTEMBER 1993

	Note	1993	1992
		<u>£'000</u>	<u>£'000</u>
<u>ASSETS</u>			
<u>CURRENT ASSETS</u>			
Debtors falling due within one year	8	50,045	47,821
Debtors falling due after more than one year	8	23,238	34,746
		<u>73,283</u>	<u>82,567</u>
<u>LIABILITIES</u>			
<u>CAPITAL AND RESERVES</u>			
Called up share capital	9	25	25
General reserve	10	234	5,516
		<u>259</u>	<u>5,541</u>
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>			
Deferred taxation	12	12,294	16,141
<u>CREDITORS</u>	13	60,730	60,885
		<u>73,283</u>	<u>82,567</u>

The financial statements were approved at a meeting of the Board of Directors
on 31 May 1994 and were signed on their behalf by:



Brian Addison Carte Director

The notes on pages 7 to 12 form part of these financial statements.

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a. Accounting Convention

The financial statements have been prepared upon the basis of historical cost and in accordance with applicable Accounting Standards.

b. Finance Leases

Assets made available to third parties under finance leases are treated as amounts receivable.

Income from finance leases is credited to the Profit and Loss Account in proportion to the funds invested.

c. Income from Instalment Credit Business

Charges and interest on instalment credit agreements are credited to the Profit and Loss Account in proportion to the monthly balances outstanding.

d. Deferred Taxation

Deferred tax is provided using the liability method on all timing differences to the extent that a tax liability is expected to arise in the future.

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. TURNOVER

(i) Turnover represents lease income, charges on instalment credit agreements and termination adjustments credited to the Profit and Loss Account during the year, all of which arises in the United Kingdom and is from continuing activities.

	1993	1992
	<u>£'000</u>	<u>£'000</u>
(ii) Net amounts financed under finance leases entered into during the year	1,656	205
(iii) Aggregate rentals receivable during the year were as follows:		
Finance leases	15,104	15,559
Instalment credit agreements	3	21
	<u>15,107</u>	<u>15,580</u>

3. OPERATING PROFIT

There is no charge in this year's financial statements for auditors' remuneration as the fee is to be charged in the holding company's financial statements (1992 - £nil).

4. INTEREST RECEIVABLE	1993	1992
	<u>£'000</u>	<u>£'000</u>
From National Westminster Bank Plc Group undertakings	2,160	1,793
	<u>2,160</u>	<u>1,793</u>
5. INTEREST PAYABLE	1993	1992
	<u>£'000</u>	<u>£'000</u>
On Bank loans and overdrafts, and other loans wholly repayable within five years:		
From National Westminster Bank Plc Group undertakings	3,471	3,027
	<u>3,471</u>	<u>3,027</u>

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. DIRECTORS' REMUNERATION AND INTERESTS

No emoluments were paid to any Director during the year (1992 - £nil).

None of the Directors had any material interest in any contract of significance in relation to the business of the Company.

7. TAXATION CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	1993	1992
	<u>£'000</u>	<u>£'000</u>
UK corporation tax based on the results for the year at 33%	(4,350)	(7,348)
Transfer from deferred tax (note 12)	4,060	4,691
Net effect of change in corporation tax rates contained in the Finance Act 1991	(15)	-
Adjustments in respect of prior years:		
UK corporation tax	(2,576)	16,114
Deferred tax (note 12)	(213)	(227)
Group relief receivable/(payable) *	2,789	(15,869)
	<u>(305)</u>	<u>(2,639)</u>

* Provision for group relief is made on the assumption that the claimant companies will make payment to the surrendering companies at rates appropriate to the periods in which the losses claimed are utilised.

LOMBARD NORTH CENTRAL WHEELEASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. DEBTORS

	1993 <u>£'000</u>	1992 <u>£'000</u>
Amounts falling due:		
i) Within one year		
Trade debtors	123	142
Amounts owed by National Westminster Bank Plc Group undertakings	38,980	35,568
Current corporation tax	-	2,576
Net investment in finance leases*	10,942	9,532
Net investment in instalment credit agreements	-	3
	<u>50,045</u>	<u>47,821</u>
ii) After more than one year		
Net investment in finance leases*	23,238	34,746
	<u>73,283</u>	<u>82,567</u>

* This includes amounts receivable of £14,724,000 (1992 - £16,523,000) in respect of assets charged in favour of third parties and £64,375 (1992 - £79,000) in respect of capitalised interest.

9. CALLED UP SHARE CAPITAL

	1993		1992	
	<u>Authorised</u>	<u>Allotted issued and fully paid</u>	<u>Authorised</u>	<u>Allotted issued and fully paid</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
200,000 Ordinary shares of 12½p each	25	25	25	25

LOMBARD NORTH CENTRAL WHEELEASE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. GENERAL RESERVE

	<u>£'000</u>
Balance at 1 October 1992	5,516
Transfer to Profit and Loss Account	(5,282)
Balance at 30 September 1993	<u>234</u>

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1993</u> <u>£'000</u>	<u>1992</u> <u>£'000</u>
Profit attributable to members of the Company	718	5,539
Dividends	(6,000)	(5,300)
	<u>(5,282)</u>	<u>239</u>
Opening shareholders' funds	5,541	5,302
Closing shareholders' funds	<u>259</u>	<u>5,541</u>

12. DEFERRED TAXATION

	<u>£'000</u>
Balance at 1 October 1992	16,141
Transfer to Profit and Loss Account (note 7)	(3,847)
Balance at 30 September 1993	<u>12,294</u>

The above balance represents the full potential liability in respect of capital allowances.

LOMBARD NORTH,CENTRAL WHEELEASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. CREDITORS

Amounts falling due:	1993	1992
	<u>£'000</u>	<u>£'000</u>
i) Wholly within one year		
Trade creditors	137	154
Amounts owed to National Westminster Bank Plc Group undertakings	50,000	53,569
Current corporation tax	4,350	-
Other creditors	243	362
Interim dividend	6,000	5,300
	<u>60,730</u>	<u>59,385</u>
Loans from National Westminster Bank Plc Group undertakings:		
Not wholly repayable within five years due:		
Within one year	-	1,500
Total creditors	<u>60,730</u>	<u>60,885</u>

14. ULTIMATE HOLDING COMPANY

The immediate parent undertaking is Lombard North Central PLC, the ultimate holding company being National Westminster Bank Plc; both are registered in England and Wales.

Copies of the financial statements of Lombard North Central PLC can be obtained from:
The Secretary, Lombard North Central PLC, Lombard House, 3 Princess Way, Redhill, Surrey,
RH1 1NP.

Copies of the financial statements of National Westminster Bank Plc can be obtained from:
The Secretary, National Westminster Bank Plc, 41 Lothbury, London, EC2P 2BP.