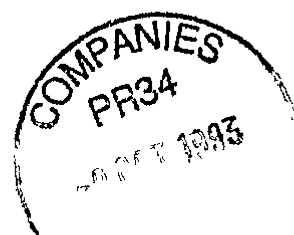


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ROVER ACCEPTANCE LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1992



ROVER ACCEPTANCE LIMITED

DIRECTORS

C W Finnerty  
J G Woodhouse

SECRETARY

J C Barnes

ROVER ACCEPTANCE LIMITED

DIRECTORS

C W Finnerty  
J G Woodhouse

SECRETARY

J C Barnes

## ROVER ACCEPTANCE LIMITED

### DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the accounts for the year ended 31 December 1992.

#### **PRINCIPAL ACTIVITY**

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

#### **BUSINESS REVIEW**

The net amount financed under all forms of financial agreements entered into during the year was £31,671,000 (1991 - £83,587,000).

The profit on ordinary activities before taxation was £4,478,000 (1991 - £4,397,000) on which there was a taxation charge of £1,379,000 (1991 - £1,206,000). The Directors recommend the payment of a final dividend of £3,095,000 (1991 - £3,190,000) and that the balance of £4,000 (1991 - £1,000) be 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.

#### **CHANGE OF HOLDING COMPANY**

On 30 March 1992 the parent Company Rover Finance Limited, transferred all its shareholding (100%) in the Company to Rover Finance Holdings Limited.

#### **FIXED ASSETS**

The movement in fixed assets is given in note 7.

#### **DIRECTORS**

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

The Directors are not required to retire by rotation nor at the first Annual General Meeting following appointment.

#### **DIRECTORS' INTERESTS**

All the Directors at the year-end were also Directors of the holding Company, Rover Finance Holdings Limited, and were not therefore required to notify the Company of their interests in the share and loan capital of Group undertakings.

ROVER ACCEPTANCE LIMITED

DIRECTORS' REPORT (Continued)

**AUDITORS**

A resolution for the re-appointment of KPMG Peat Marwick as auditors of the Company is to be proposed at the Annual General Meeting.

By Order of the Board



John Graham Woodhouse  
Director  
30 September 1993

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

ROVER ACCEPTANCE LIMITED

We have audited the accounts on pages 5 to 11 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the Company at 31 December 1992 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Peat Marwick*

KPMG Peat Marwick  
Chartered Accountants  
Registered Auditors

Birmingham  
30 September 1993

ROVER ACCEPTANCE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1992

	<u>Notes</u>	<u>1992</u> <u>£'000</u>	<u>1991</u> <u>£'000</u>
Turnover	2	29,291	46,732
Depreciation on tangible fixed assets	7	(17,581)	(25,989)
Other operating charges	3	(1,932)	(3,402)
		<u>9,778</u>	<u>17,341</u>
Interest payable	5	<u>(5,300)</u>	<u>(12,944)</u>
Profit on ordinary activities before taxation		4,478	4,397
Taxation charge on profit on ordinary activities	6	<u>(1,379)</u>	<u>(1,206)</u>
Profit on ordinary activities after taxation		3,099	3,191
Proposed final dividend		<u>(3,095)</u>	<u>(3,190)</u>
Profit for the financial year transferred to general reserve	10	<u>4</u>	<u>1</u>

The movement in reserves is shown in Note 10.

The notes on pages 7 to 11 form part of these accounts.

ROVER ACCEPTANCE LIMITED

BALANCE SHEET

AT 31 DECEMBER 1992

	<u>Notes</u>	<u>£'000</u>	<u>1992</u> <u>£'000</u>	<u>£'000</u>	<u>1991</u> <u>£'000</u>
<u>ASSETS</u>					
FIXED ASSETS					
Tangible assets	7		73,024		133,153
CURRENT ASSETS					
Debtors					
Due within one year	8	102,923		26,133	
Due after one year	8	3,016		6,136	
			105,939		32,269
			178,963		165,422
<u>LIABILITIES</u>					
CAPITAL AND RESERVES					
Called up share capital	9		-		-
General reserve	10		14		10
			14		10
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	11		5,183		12,564
CREDITORS					
Amounts falling due within one year	12		173,766		152,848
			178,963		165,422

These accounts were approved by the Board of Directors on  
30 September 1993 and signed on its behalf by:

  
John Graham Woodhouse      Director

The notes on pages 7 to 11 form part of these accounts.



ROVER ACCEPTANCE LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Accounting Convention

The accounts 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) Operating Leases

Assets held for use in operating leases are recorded as fixed assets.

Income after deducting depreciation is credited in the Profit and Loss Account either to give a constant periodic return on the operating lease fixed asset throughout the period of the lease, or on a straight line basis over the period of the lease.

(d) Depreciation

Assets held for use in operating leases:

Depreciation is calculated either on a rising scale, or on a straight line basis, so as to write assets down to their estimated residual value over the period of the lease which varies between 6 months and 5 years.

(e) Deferred Taxation

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

(f) Cash Flow Statement

In accordance with the exemptions allowed under the provisions of FRS1, no Cash Flow Statement has been presented.

# ROVER ACCEPTANCE LIMITED

## NOTES TO THE ACCOUNTS (Continued)

### 2. TURNOVER

- (i) Turnover represents lease income credited to the Profit and Loss Account during the year, all of which arises in the United Kingdom.

	<u>1992</u>	<u>1991</u>
	<u>£'000</u>	<u>£'000</u>

- (ii) Net amounts financed under all forms of financial agreements entered into during the year were as follows:

Finance leases	1,609	3,832
Operating leases	30,062	79,755
	<u>31,671</u>	<u>83,587</u>

- (iii) Aggregate rentals receivable during the year were as follows:

Finance leases	5,701	8,158
Operating leases	27,605	44,301
	<u>33,306</u>	<u>52,459</u>

### 3. OTHER OPERATING CHARGES

Other operating charges include loss on disposal of Fixed Assets amounting to £1,503,000 (1991 - £3,188,000).

There is no charge in this year's accounts for auditors' remuneration as the fee is to be charged in the holding company's accounts (1991 - £nil).

### 4. DIRECTORS' REMUNERATION AND INTERESTS

No emoluments were paid to any Director in respect of their services to the Company during the year (1991 - £nil).

None of the Directors had any material interest in any contract of significance other than in the ordinary course of trade.

### 5. INTEREST PAYABLE

	<u>1992</u>	<u>1991</u>
	<u>£'000</u>	<u>£'000</u>

On bank loans and overdrafts, and other loans wholly repayable within five years:

From National Westminster Bank Group undertakings	<u>5,300</u>	<u>12,944</u>
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ROVER ACCEPTANCE LIMITED

NOTES TO THE ACCOUNTS (Continued)

6. TAXATION CHARGE	<u>1992</u> <u>£'000</u>	<u>1991</u> <u>£'000</u>
UK Corporation tax based on the results for the year at 33% (1991 - 33.25%).	(8,971)	(5,590)
Deferred taxation (note 11)	<u>7,585</u> (1,386)	<u>4,354</u> (1,236)
Revision in respect of prior years:		
Group relief (payable)/receivable	(5,379)	158
Deferred taxation (note 11)	(204)	(128)
UK Corporation tax	<u>5,590</u> <u>(1,379)</u>	<u>-</u> <u>(1,206)</u>

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

7. TANGIBLE FIXED ASSETS

Assets held for use in operating leases

	<u>£'000</u>
<u>Cost</u>	158,879
At 1 January 1992	30,062
Additions	(93,234)
Disposals	<u>95,707</u>
At 31 December 1992	<u>95,707</u>
<u>Depreciation</u>	25,726
At 1 January 1992	17,581
Charge for the year	(20,624)
Disposals	<u>22,683</u>
At 31 December 1992	<u>22,683</u>
<u>Net book value at 31 December 1992</u>	<u>73,024</u>
<u>Net book value at 1 January 1992</u>	<u>133,153</u>

ROVER ACCEPTANCE LIMITED

NOTES TO THE ACCOUNTS (Continued)

8. DEBTORS	<u>1992</u> <u>£'000</u>	<u>1991</u> <u>£'000</u>
Amounts falling due:		
i) Within one year		
Amounts owed by Group undertakings	94,112	14,801
Trade debtors	3,838	3,577
Net investment in finance leases	4,973	7,755
	<u>102,923</u>	<u>26,133</u>
ii) After more than one year		
Net investment in finance leases	<u>3,016</u>	<u>6,136</u>
Total debtors	<u><u>105,939</u></u>	<u><u>32,269</u></u>

9. CALLED UP SHARE CAPITAL

	<u>1992</u>	<u>1991</u>
	<u>Authorised</u> £	<u>Authorised</u> £
	<u>£</u>	<u>£</u>
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

10. GENERAL RESERVE	<u>£'000</u>
Balance at 1 January 1992	10
Transfer from Profit and Loss Account	4
	<u>—</u>
Balance at 31 December 1992	<u><u>14</u></u>

ROVER ACCEPTANCE LIMITED

NOTES TO THE ACCOUNTS (Continued)

11. DEFERRED TAXATION

	<u>1992</u> <u>£'000</u>
Balance at 1 January 1992	12,564
Transfer to Profit and Loss Account (note 6)	<u>(7,381)</u>
Balance at 31 December 1992	<u>5,183</u>

The above balances represent the full potential liability in respect of capital allowances.

12. CREDITORS

	<u>1992</u> <u>£'000</u>	<u>1991</u> <u>£'000</u>
Amounts falling due wholly within one year		
Amounts owed to Group undertakings	151,764	130,599
Trade creditors	9,936	13,469
Corporation Tax	8,971	5,590
Proposed dividend	3,095	3,190
	<u>173,766</u>	<u>152,848</u>

13. ULTIMATE HOLDING COMPANY

The immediate holding Company is Rover Finance Holdings Ltd, the ultimate holding Company being National Westminster Bank Plc; both are registered in England and Wales.

Copies of the accounts of Rover Finance Holdings Ltd can be obtained from:

The Secretary, Rover Finance Holdings Ltd, 3 Princess Way, Redhill, Surrey, RH1 1NP.

Copies of the accounts of National Westminster Bank Plc can be obtained from:

The Secretary, National Westminster Bank Plc, 41 Lothbury, London, EC2P 2BP.