

2060602

LOMBARD LEASING CONTRACTS LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1994



Lombard Leasing Contracts Limited is registered in England and Wales No. 2060602.
Registered Office: Lombard House, 3 Princess Way, Redhill, Surrey, RH1 1NP.

LOMBARD LEASING CONTRACTS LIMITED

DIRECTORS

B A Carte (Chairman)
J D Fitch
J Johnson
J D Purdy

SECRETARY

M J Evans

LOMBARD LEASING CONTRACTS LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their report and the financial statements for the year ended 31 December 1994.

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 £66,000 (1993 - £nil).

The results for the year are set out in the profit and loss account on page 5.

The directors do not recommend the payment of a dividend.

The profit for the year retained in the company is £15,000.

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

DIRECTORS

The present directors are as shown on page 1.

Mr J Johnson was appointed to the board on 1 January 1995.

Mr M A Maberly resigned from the board on 31 December 1994.

DIRECTORS' INTERESTS

All of the directors at the year end were also directors of the immediate parent undertaking, Lombard North Central PLC, a company which is itself required to keep a register of directors' interests. The directors were not therefore required to notify their interests in the shares or debentures of National Westminster Bank Plc group undertakings to the company.

AUDITORS

On 6 February 1995 our auditors changed the name under which they practise to KPMG and, accordingly, have signed their report in their new name. Pursuant to a shareholders' resolution the company is not obliged to appoint its auditors annually and KPMG will, therefore, continue in office.

By order of the board



Margaret J Evans
Secretary

15 August

1995

LOMBARD LEASING CONTRACTS LIMITED

STATEMENT OF 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.
TO THE MEMBERS OF
LOMBARD LEASING CONTRACTS LIMITED

We have audited the financial statements on pages 5 to 11.

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, on 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 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Chartered Accountants
Registered Auditors

Crawley

4 September 1995

LOMBARD LEASING CONTRACTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1994

	Note	1994	1993
		<u>£'000</u>	<u>£'000</u>
Turnover	2	55	108
Operating charges		(1)	-
		<hr/>	<hr/>
Operating profit	3	54	108
Interest payable	4	(32)	(76)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		22	32
Taxation charge on profit on ordinary activities	6	(7)	(11)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		15	21
Dividend		-	(100)
		<hr/>	<hr/>
Retained profit/(loss) for the financial year	9	15	(79)
		<hr/>	<hr/>

RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit attributable to shareholders of the company of £15,000 in the year ended 31 December 1994 and of £21,000 in the year ended 31 December 1993.

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

LOMBARD LEASING CONTRACTS LIMITED

BALANCE SHEET

AT 31 DECEMBER 1994

	Note	1994	1993
		<u>£'000</u>	<u>£'000</u>
<u>ASSETS</u>			
CURRENT ASSETS			
Debtors falling due within one year	7	625	1,213
		<u> </u>	<u> </u>
<u>LIABILITIES</u>			
CAPITAL AND RESERVES			
Called up share capital	8	-	-
Profit and loss account	9	41	26
		<u> </u>	<u> </u>
		41	26
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	11	107	375
CREDITORS			
	12	477	812
		<u> </u>	<u> </u>
		625	1,213
		<u> </u>	<u> </u>

The financial statements were approved at a meeting of the board of directors on
15 August 1995 and were signed on their behalf by:



Brian Addison Carte

Director

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

LOMBARD LEASING CONTRACTS 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. 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.

2. TURNOVER

- (i) Turnover represents lease income 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.

	1994	1993
	<u>£'000</u>	<u>£'000</u>
(ii) Net amounts financed under finance leases entered into during the year	66	-
	<u> </u>	<u> </u>
(iii) Aggregate rentals receivable during the year under finance leases	1,132	1,024
	<u> </u>	<u> </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 financial statements of the immediate parent undertaking (1993 - £nil).

LOMBARD LEASING CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. INTEREST PAYABLE	1994	1993
	<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	32	76
	<u> </u>	<u> </u>

5. DIRECTORS' REMUNERATION AND INTERESTS

No emoluments were paid to any director by the company during the year (1993 - £nil).

None of the directors had any material interest in any contract of significance in relation to the business of the company.

6. TAXATION CHARGE ON PROFIT ON ORDINARY ACTIVITIES	1994	1993
	<u>£'000</u>	<u>£'000</u>
UK corporation tax based on the results for the year at 33% (1993 - 33%)	275	204
Transfer from deferred tax (note 11)	(268)	(193)
Adjustments in respect of prior years:		
UK corporation tax	(204)	(129)
Group relief payable *	204	129
	<u> </u>	<u> </u>
	7	11
	<u> </u>	<u> </u>

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

LOMBARD LEASING CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. DEBTORS

	1994	1993
	<u>£'000</u>	<u>£'000</u>
Amounts falling due within one year:		
Amounts owed by National Westminster Bank Plc group undertakings	588	108
Net investment in finance leases	37	1,105
	<u>625</u>	<u>1,213</u>

8. CALLED UP SHARE CAPITAL

	1994		1993	
	<u>Authorised</u> £	Allotted called up and <u>fully paid</u> £	<u>Authorised</u> £	Allotted called up and <u>fully paid</u> £
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

All of the above share capital relates to equity funds.

LOMBARD LEASING CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. PROFIT AND LOSS ACCOUNT

	<u>£'000</u>
Balance at 1 January 1994	26
Retained profit for the financial year	15
	<hr/>
Balance at 31 December 1994	41
	<hr/> <hr/>

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1994	1993
	<u>£'000</u>	<u>£'000</u>
Profit attributable to members of the company	15	21
Dividends	-	(100)
	<hr/>	<hr/>
Net movement in shareholders' funds	15	(79)
Opening shareholders' funds	26	105
	<hr/>	<hr/>
Closing shareholders' funds	41	26
	<hr/> <hr/>	<hr/> <hr/>

11. DEFERRED TAXATION

	<u>£'000</u>
Balance at 1 January 1994	375
Transfer to profit and loss account (note 6)	(268)
	<hr/>
Balance at 31 December 1994	107
	<hr/> <hr/>

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

LOMBARD LEASING CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. CREDITORS

	1994	1993
	<u>£'000</u>	<u>£'000</u>
Amounts falling due within one year:		
Amounts owed to National Westminster Bank Plc group undertakings	-	320
Current corporation tax	275	204
Other creditors	202	188
Proposed dividend	-	100
	<hr/>	<hr/>
	477	812
	<hr/>	<hr/>

13. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Lombard North Central PLC, the ultimate parent undertaking 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.