

2060602

LOMBARD LEASING CONTRACTS LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1988

COMPANIES HOUSE  
- 2 JUN 1989  
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LOMBARD LEASING CONTRACTS LIMITED

DIRECTORS

B C Crittenden (Chairman)  
A A Mitchener  
M W Turner  
R J Young

SECRETARY

M I Mathews

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

LOMBARD LEASING CONTRACTS LIMITED

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the accounts for the year ended 31 December 1988.

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 £nil (1987 - £72,108)

The profit on ordinary activities before taxation was £707 (1987 - £211) on which there was a taxation charge of £248 (1987 - £74). The Directors recommend that no dividend be paid and that the balance of £459 (1987 - £137) be dealt with as shown in the Profit and Loss Account on page 6.

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.

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

LOMBARD LEASING CONTRACTS LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS' INTERESTS

According to the register kept by the Company, the interests of the Directors at the year end in the shares and loan capital of National Westminster Bank PLC Group Companies, were as follows:

Ordinary shares of £1 each in  
National Westminster Bank PLC

31 December 1988

31 December 1987

Beneficially owned:

M W Turner	400	400
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Held by the Trustees of the  
National Westminster Bank PLC Group  
1979 Profit Sharing Share Scheme:

M W Turner	1,351	990
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Options to subscribe for shares  
granted under the National  
Westminster Bank PLC Savings-related  
Share Option Schemes 1974 and 1981:

M W Turner	802	802
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Mr B C Crittenden, Mr A A Mitchener and Mr R J Young were also Directors of the holding Company, Lombard North Central PLC, and were not therefore required to notify the Company of their interests in shares and loan capital of Group Companies.

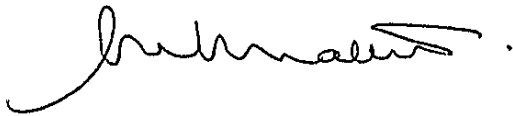
LOMBARD LEASING CONTRACTS LIMITED

DIRECTORS' REPORT (continued)

AUDITORS

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

By Order of the Board



M I Mathews  
Secretary  
17 April 1989

REPORT OF THE AUDITORS TO THE MEMBERS OF

LOMBARD LEASING CONTRACTS LIMITED

We have audited the accounts on pages 6 to 12 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 1988 and of the profit and source and application of funds of the Company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Guildford  
17 April 1989

*Peat Marwick McLintock*  
Peat Marwick McLintock  
Chartered Accountants

LOMBARD LEASING CONTRACTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1988

	<u>Notes</u>	<u>1988</u>	<u>2 October 1986 to 31 December 1987</u>
		<u>£</u>	<u>£</u>
Turnover	2	6,970	2,447
Other operating charges	3	(1,115)	(550)
		<u>5,855</u>	<u>1,897</u>
Interest payable	5	(5,148)	(1,686)
Profit on ordinary activities before taxation		<u>707</u>	<u>211</u>
Taxation charge on profit on ordinary activities	6	(248)	(74)
Profit on ordinary activities transferred to general reserve	9	<u>459</u>	<u>137</u>

The notes on pages 9 to 12 form part of these accounts.

LOMBARD LEASING CONTRACTS LIMITED

BALANCE SHEET

AT 31 DECEMBER 1988

	<u>Notes</u>	<u>1988</u> <u>£</u>	<u>1987</u> <u>£</u>
<u>ASSETS</u>			
CURRENT ASSETS			
Debtors	7	51,391	71,956
		<u>51,391</u>	<u>71,956</u>
<u>LIABILITIES</u>			
CAPITAL AND RESERVES			
Called up share capital	8	100	100
General reserve	9	596	137
		<u>696</u>	<u>237</u>
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation	10	2,833	3,376
CREDITORS	11	47,862	68,343
		<u>51,391</u>	<u>71,956</u>

B C Crittenden )

) Directors

R J Young )

Approved by the Board on 17 April 1989

The notes on pages 9 to 12 form part of these accounts.



LOMBARD LEASING CONTRACTS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31 DECEMBER 1988

	<u>1988</u>	<u>2 October 1986 to 31 December 1987</u>
	<u>£</u>	<u>£</u>
SOURCE OF FUNDS		
Profit on ordinary activities after taxation	459	137
Adjustments for non-cash items:		
Transfer (from) /to Deferred taxation	(543)	3,376
TOTAL (ABSORBED BY) / GENERATED FROM OPERATIONS	<u>(84)</u>	<u>3,513</u>
FUNDS FROM OTHER SOURCES		
Share capital issued and paid up	—	100
	<u>(84)</u>	<u>3,613</u>
(DECREASE) / INCREASE IN WORKING CAPITAL		
Debtors	(20,565)	71,956
Creditors	20,481	(68,343)
	<u>(84)</u>	<u>3,613</u>

The notes on pages 9 to 12 form part of these accounts.

LOMBARD LEASING CONTRACTS LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared upon the basis of historical cost.

(b) Finance Leases

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

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

(c) 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.

2. TURNOVER AND BUSINESS REVIEW

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

	<u>1988</u> <u>£</u>	<u>1987</u> <u>£</u>
ii) Net amounts financed under finance leases entered into during the year	-	72,108
iii) Aggregate rentals receivable during the year under finance leases	22,234	6,434

3. OTHER OPERATING CHARGES

	<u>1988</u>	<u>1987</u>
Other operating charges include the following:		
Auditors' remuneration	£ -	£550

There is no charge in this years accounts for auditors remuneration as the fee is to be charged in the holding Company's accounts.

4. DIRECTORS' REMUNERATION AND INTERESTS

No emoluments were paid to any Director during the year (1987 - £nil)

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

LOMBARD LEASING CONTRACTS LIMITED

NOTES TO THE ACCOUNTS (Continued)

5. INTEREST PAYABLE

	<u>1988</u> <u>£</u>	<u>1987</u> <u>£</u>
On bank loans and overdrafts, and other loans wholly repayable within five years:		
From National Westminster Bank Group Companies	5,148	1,686

6. TAXATION CHARGE

	<u>1988</u> <u>£</u>	<u>1987</u> <u>£</u>
UK Corporation Tax based on the results for the year at 35% (1987 - 35%)	(791)	-
Group relief receivable*	-	3,302
Transfer from/(to) Deferred taxation (note 10)	543	(3,376)
	<u>(248)</u>	<u>(74)</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.

7. DEBTORS

	<u>1988</u> <u>£</u>	<u>1987</u> <u>£</u>
Amounts falling due:		
i) Wholly within one year		
Amounts owed by National Westminster Bank Group Companies	597	-
Other debtors	-	4610
	<u>597</u>	<u>4610</u>
ii) Not wholly within one year		
Net investment in finance leases due:		
Within one year	19,989	18,765
In more than one year	30,805	48,581
	<u>50,794</u>	<u>67,346</u>
Total debtors	<u>51,391</u>	<u>71,956</u>

LOMBARD LEASING CONTRACTS LIMITED

NOTES TO THE ACCOUNTS (Continued)

8. CALLED UP SHARE CAPITAL

	<u>1988</u>		<u>1987</u>	
	<u>Authorised</u>	<u>Allotted issued and fully paid</u>	<u>Authorised</u>	<u>Allotted issued and fully paid</u>
Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>	<u>£100</u>	<u>£100</u>

9. GENERAL RESERVE

	<u>£</u>
Balance at 1 January 1988	137
Transfer from Profit and Loss Account	459
Balance at 31 December 1988	<u>596</u>

10. DEFERRED TAXATION

	<u>£</u>
Balance at 1 January 1988	3,376
Transfer to Profit and Loss Account (note 6)	(543)
Balance at 31 December 1988	<u>2,833</u>

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

11. CREDITORS

	<u>1988</u> <u>£</u>	<u>1987</u> <u>£</u>
Amounts falling due wholly within one year:		
Amounts owed to National Westminster Bank Group Companies	45,698	55,858
Trade creditors	-	11,935
Other creditors	1,374	550
Current corporation tax	790	-
	<u>47,862</u>	<u>68,343</u>

LOMBARD LEASING CONTRACTS LIMITED

NOTES TO THE ACCOUNTS (Continued)

12. ULTIMATE HOLDING COMPANY

The ultimate holding Company is National Westminster Bank PLC, incorporated in Great Britain.