

2010194

Registered No: 2353888

**NATWEST CORPORATE FINANCE LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 30 JUNE 1994**

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# NATWEST CORPORATE FINANCE LIMITED

**Directors:**  
R P A Bull  
R J Bailey  
C Barton-Smith  
P M Davy  
M D Smith

**Secretary:** S E Lewis

**Registered Office:** 135 Bishopsgate, London EC2M 3UR

# 2010194

## NATWEST CORPORATE FINANCE LIMITED

### REPORT OF THE DIRECTORS

The Directors present their report together with the audited accounts of the Company for the year ended 30 June 1994.

#### PRINCIPAL ACTIVITY OF THE COMPANY

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

#### REVIEW OF BUSINESS

The net amount financed under all forms of financial agreements entered into during the year was £nil (1993 - £28,918,000).

The profit on ordinary activities before taxation was £2,086,000 (1993 - £2,164,000) on which there was a taxation charge of £959,000 (1993 - £150,000). The Directors recommend that no dividend be paid and that the retained profit of £1,127,000 (1993 - £2,014,000) be transferred to reserves as shown in the Profit and Loss Account on page 8.

The Directors envisage that the Company will continue to operate profitably in the future.

#### DIRECTORS AND THEIR INTERESTS

The Directors of the Company who served during the year are those shown on page 2.

The Directors have no interest in the share capital of the Company. The interests of the Directors in office at 30 June 1994 in the share capital of the parent undertaking, National Westminster Bank Plc, are shown on page 4.

## NATWEST CORPORATE FINANCE LIMITED

## REPORT OF THE DIRECTORS

## DIRECTORS AND THEIR INTERESTS (Cont'd)

Ordinary Shares of £1	As at 1 July 1993 or as at date of appointment		As at 30 June 1994	
	HOLDING	* OPTIONS	HOLDING	* OPTIONS
R J Bailey	1,578	1,484 e 1,071 g 862 h -	1,650	- 1,071 g 862 h 518 i
C Barton-Smith	676		1,068	518 i
R P A Bull	-	7,567 D 4,117 E 4,634 F -	-	7,567 D 4,117 E 4,634 F 5,767 G
P M Davy	5,161	1,730 e 1,102 g - 5,844 D 3,271 E 3,798 F -	6,528	1,730 e 1,102 g 518 i - 3,271 E 3,798 F 4,915 G
M D Smith	1,255+	1,165 f 1,147 g 862 h -	1,752+	1,165 f 1,147 g 862 h 2,921 G

\* Includes interests in Ordinary shares of £1 each held by Trustees under the National Westminster Bank Plc Group 1979 Profit Sharing Share Scheme.

+ Includes shares held in wife's name.

Options were granted under the National Westminster Bank Plc 1981 Savings Related Share Option Scheme to subscribe for Ordinary shares of £1 at the subscription price per share shown below:

e	£2.425
f	£3.09
g	£1.96
h	£2.51
i	£3.99

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## NATWEST CORPORATE FINANCE LIMITED

### REPORT OF THE DIRECTORS

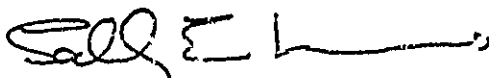
and under the National Westminster Bank Plc Executive Share Option Scheme for Ordinary shares of £1 at subscription prices per share shown below:

D	£3.08
E	£3.38
F	£3.13
G	£5.03

#### AUDITORS

On 8 April 1993 the Company passed an Elective Resolution to dispense with the obligation to appoint auditors annually. KPMG Peat Marwick have expressed their willingness to continue in office and accordingly will remain in office until further notice.

By Order of the Board



S E Lewis  
Secretary

11 October 1994

## **NATWEST CORPORATE FINANCE LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The following statement, which should be read in conjunction with the Report of the Auditors set out on page 7, is made with a view to distinguishing for Shareholders the respective responsibilities of the Directors and of the Auditors in relation to the Accounts.

The Directors are required by the Companies Act 1985 to prepare, for each financial year, accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the Company's profit for that financial year.

The Directors confirm that the Accounts have been prepared on the going concern basis and consider that in preparing the Accounts on pages 8 to 15, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the accounts comply with the companies Act 1985.

The Directors 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 TO THE MEMBERS**  
**OF**  
**NATWEST CORPORATE FINANCE LIMITED**

We have audited the financial statements on pages 8 to 15.

*Respective responsibilities of directors and auditors*

As described on page 6, 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 the 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 at 30 June 1994 and of its 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  
London

*11th October 1994*

*1 Puddle Dock  
Blackfriars  
London EC4V 3PD*

# NATWEST CORPORATE FINANCE LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1994

	Note	1994 £'000	1993 £'000
Income from finance leases	2	15,987	19,577
Operating charges		(26)	(172)
Net operating income from continuing operations		15,961	19,405
Interest payable to group undertakings		(13,875)	(17,241)
Profit on ordinary activities before taxation	4	2,086	2,164
Tax on profit on ordinary activities	5	(959)	(150)
Retained profit for the financial year		1,127	2,014

The Company had no recognised gains or losses other than the profit for the period.

A statement of movement on reserves is given in note 11.



# NATWEST CORPORATE FINANCE LIMITED

## BALANCE SHEET

AT 30 JUNE 1994

	Note	1994 £'000	1993 £'000
<b>Current Assets</b>			
Debtors	6	229,757	236,819
Creditors: amounts falling due within one year	7	(33,946)	(32,592)
<b>Net Current Assets:</b>			
Amounts falling due within one year		(5,511)	(6,669)
Debtors falling due after more than one year	6	201,322	210,796
<b>Total net current assets</b>		<b>195,811</b>	<b>204,127</b>
<b>Creditors: amounts falling due after more than one year</b>	8	<b>(148,832)</b>	<b>(165,354)</b>
<b>Deferred Taxation</b>	9	<b>(42,756)</b>	<b>(35,677)</b>
<b>Net Assets</b>		<b>4,223</b>	<b>3,096</b>
<b>Capital and Reserves</b>			
Called up share capital	10	-	-
Profit and loss account	11	4,223	3,096
		<b>4,223</b>	<b>3,096</b>

The accounts on pages 8 to 15 were approved by the Board of Directors on 11 October 1994 and signed on its behalf by:

  
 .....  
 R P A Bull, Director

# NATWEST CORPORATE FINANCE LIMITED

## NOTES TO THE ACCOUNTS

### 1. Accounting Policies

#### a) Accounting Convention

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention.

#### 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.

Where the lease rentals reflect the benefits of declining corporation tax rates, the finance lease receivables are written down on the change in tax rates, to amounts which equate to the principal element of future rentals. This is done by a transfer from deferred tax account so as to maintain the normal relationship between profit before and after taxation.

#### c) Deferred Taxation

Deferred taxation is provided for using the liability method on all timing differences to the extent that a taxation liability is expected to crystallise in the foreseeable future.

#### d) Cashflow Statement

The company has not prepared a cashflow statement because it is exempted from doing so under paragraph 8c of Financial Reporting Standard 1.

### 2. Income from Finance Leases

#### i) Income from finance leases credited to the Profit and Loss Account arose in the United Kingdom.

	1994 <u>£'000</u>	1993 <u>£'000</u>
ii) Net amounts financed under finance leases entered into during the year	-	28,918
iii) Aggregate rentals receivable during the year under finance leases	<u>22,834</u>	<u>15,472</u>

# NATWEST CORPORATE FINANCE LIMITED

## NOTES TO THE ACCOUNTS (continued)

### 3. Directors and Employees

None of the Directors received any emoluments from the Company (1993 - £ nil).

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

The Company does not have any employees.

### 4. Profit on Ordinary Activities before Taxation

The profit on ordinary activities before taxation is stated after charging auditors' remuneration of £720 (1993 - £1,273).

### 5. Taxation

	1994 <u>£'000</u>	1993 <u>£'000</u>
Group relief receivable (see below)	6,393	13,101
Deferred taxation	(7,079)	(13,815)
Group relief (payable)/receivable in respect of prior year	(273)	564
	<hr/>	<hr/>
Taxation charge	(959)	(150)
	<hr/>	<hr/>

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

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## NATWEST CORPORATE FINANCE LIMITED

### NOTES TO THE ACCOUNTS (Continued)

#### 6. Debtors

	1994 <u>£'000</u>	1993 <u>£'000</u>
<b>i) Debtors falling due within one year</b>		
Net investment in finance leases	10,217	9,189
Amounts owed by group undertakings	18,218	16,698
Other debtors	-	136
	<u>28,435</u>	<u>26,023</u>
<b>ii) Debtors falling due after one year</b>		
Net investment in finance leases	201,322	210,796
	<u>229,757</u>	<u>236,819</u>

#### 7. Creditors: amounts falling due within one year

	1994 <u>£'000</u>	1993 <u>£'000</u>
Amounts owed to group undertakings	9,193	9,414
Loans from group undertakings (see note 8)	24,749	23,277
Other creditors	4	1
	<u>33,946</u>	<u>32,692</u>

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## NATWEST CORPORATE FINANCE LIMITED

### NOTES TO THE ACCOUNTS (continued)

#### 8. Creditors: amounts falling due after one year

	1994 <u>£'000</u>	1993 <u>£'000</u>
Loans from group undertakings	148,832	165,354
Analysis of loans from group undertakings:		
<i>Wholly repayable within five years</i>	25,238	8,344
<i>Not wholly repayable within five years due:</i>		
within one year	11,574	20,503
between one and five years	43,103	54,478
in more than five years	93,666	105,307
	<u>173,581</u>	<u>188,632</u>

The loans are repayable in accordance with the cash flows relating to the lease agreements.

#### 9. Deferred Taxation

	<u>£'000</u>
At 1 July 1993	35,677
Charge for the year	7,079
	<u>42,756</u>
At 30 June 1994	

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

# NATWEST CORPORATE FINANCE LIMITED

## NOTES TO THE ACCOUNTS (continued)

### 10. Share Capital

	<u>1994</u>		<u>1993</u>	
	<u>Authorised</u>	<u>Allotted, Called Up and Fully Paid</u>	<u>Authorised</u>	<u>Allotted, Called Up and Fully Paid</u>
Ordinary Shares of £1 each	1,000	100	1,000	100

### 11. Share Capital, Movement in Reserves and Reconciliation of Movements in Shareholders' Funds

	<u>Share Capital</u> <u>£'000</u>	<u>Profit &amp; Loss</u> <u>Account</u> <u>£'000</u>	<u>Total</u> <u>Shareholders'</u> <u>Funds</u> <u>£'000</u>
Balance at 1 July 1992	-	1,082	1,082
Profit for the financial year	-	2,014	2,014
Balance at 30 June 1993	-	3,096	3,096
Profit for the financial year	-	1,127	1,127
Balance at 30 June 1994	-	4,223	4,223

### 12. Contingent Liability

The Company has a contingent liability in respect of a joint and several undertaking for VAT due by certain fellow subsidiary undertakings under a group registration.

## NATWEST CORPORATE FINANCE LIMITED

### NOTES TO THE ACCOUNTS (continued)

#### 13. Ultimate Parent Undertaking

The company is a wholly owned subsidiary undertaking whose ultimate parent is National Westminster Bank Plc. The largest and smallest group in which the results of the company are consolidated is National Westminster Bank Plc, which is registered in England and Wales.

The consolidated accounts of National Westminster Bank Plc are available to the public and may be obtained from the Company Secretary, 41 Lothbury, London EC2P 2BP