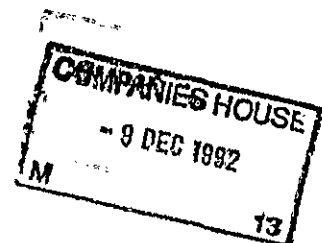


**ROYSCOT MOTOR FINANCE LIMITED**

**(Company No. 2608503)**

**DIRECTORS' REPORT AND ACCOUNTS**

**30th SEPTEMBER 1992**



**ROYSCOT MOTOR FINANCE LIMITED**

**REPORT AND ACCOUNTS FOR THE YEAR ENDED 30th SEPTEMBER 1992**

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ROYSCOT MOTOR FINANCE LIMITED

DIRECTORS AND OFFICERS

CHAIRMAN

David John McIntosh Finlayson

DIRECTORS

John Huw Evans  
Edward Hawthorne  
Brian Ward Heaney  
Hugh Dawson Wallace

SECRETARY

Michael Ian Charles Woodcock

REGISTERED OFFICE

RoyScot House  
The Promenade  
Cheltenham  
Gloucestershire GL50 1PL

PRINCIPAL OFFICE

St George's House  
St George's Road  
Charing Cross  
Glasgow G3 6LB

# ROYSCOT MOTOR FINANCE LIMITED

## DIRECTORS' REPORT

The directors present their annual report, together with the audited accounts for the year ended 30th September 1992.

## RESULTS

The results for the year are set out on page 7. The directors do not recommend the payment of a final dividend (1991: Nil). The retained loss for the year to 30th September 1992 to be transferred to reserves will amount to £476.

## BUSINESS REVIEW

The principal activity of the company, which is a wholly owned subsidiary of RoyScot Trust plc, is the provision of hire purchase facilities for new and used motor cars as specified in an agreement dated 1st June 1992 between RoyScot Trust plc, Arnold Clark Automobiles and the company.

The company commenced trading in June 1992.

## CHANGE OF NAME

The company changed its name from Rentmove Limited to RoyScot Motor Finance Limited with effect from 19th May 1992.

## DIRECTORS

The present members of the board of directors are named on page 2.

At 30th September 1992, the members of the board of directors were:-

Mr John Huw Evans  
Mr David John McIntosh Finlayson  
Mr Edward Hawthorne  
Mr Brian Ward Heaney  
Mr Hugh Dawson Wallace

During the year to 30th September 1992, the following changes were made in the composition of the board of directors:-

Mr M I C Woodcock and Mr R B C Young resigned as directors of the company, both with effect from 7th May 1992.

Mr J H Evans and Mr B W Heaney were appointed directors of the company, both with effect from 7th May 1992.

Mr D J M Finlayson was appointed Chairman and director of the company with effect from 21st May 1992.

Mr E Hawthorne and Mr H D Wallace were appointed directors of the company, both with effect from 1st June 1992.

#### DIRECTORS' INTERESTS

No director had any interest in the ordinary shares of the company on 30th September 1992 nor on 1st October 1991.

The interests of the directors at 30th September 1992 in the share or loan capital of the ultimate holding company, The Royal Bank of Scotland Group plc, or in the share or loan capital of its subsidiary companies are shown on page 5.

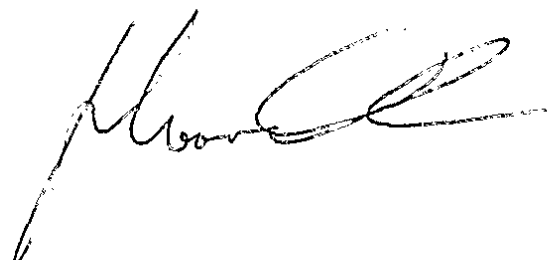
#### FIXED ASSETS

Changes in the fixed assets of the company are shown in note 5 on the accounts on page 9.

#### AUDITOR

As the company commenced trading during the year, Coopers & Lybrand were appointed auditors of the company with effect from June 1992. They have indicated their willingness to continue in office and resolutions to reappoint them and to authorise the directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board



M I C Woodcock  
Secretary  
CHELTENHAM

17 NOV 1992

**DIRECTORS' INTERESTS IN THE SHARE OR LOAN CAPITAL OF THE ROYAL BANK OF SCOTLAND GROUP plc AND SUBSIDIARY COMPANIES**

The following directors were beneficially interested in the 25p ordinary shares of The Royal Bank of Scotland Group plc, the ultimate holding company.

	1st Oct 1991 (or date of appointment if later)	30th September 1992
	<u>Shares</u>	<u>Shares</u>
J H Evans	3,208	3,253
D J M Finlayson	1,316	1,333

Options to subscribe for 25p ordinary shares of The Royal Bank of Scotland Group plc granted to and exercised by directors during the year to 30th September 1992 are included in the table below:

	At 1st October 1991 (or date of appointment if later)	Options granted	Price £	Options exercised	Price £	At 30th Sept 1992
D J M Finlayson	15,752	3,433	1.55	Nil	-	19,187

No other director had an interest in the ordinary shares of The Royal Bank of Scotland Group plc and no director had an interest in any of the preference shares of The Royal Bank of Scotland Group plc during the year to 30th September 1992.

In addition, during that period, none of the directors held a beneficial interest in the loan capital of The Royal Bank of Scotland Group plc or in the share of loan capital of any of the other subsidiaries of The Royal Bank of Scotland Group plc.

## **ROYSCOT MOTOR FINANCE LIMITED**

### **Accounting policies**

The accounts on pages 7 to 11 are prepared in accordance with applicable accounting standards in the United Kingdom. The principal accounting policies adopted by the company are described below.

#### **1. Accounting convention**

The accounts are prepared under the historical cost convention. The directors have adapted the formats of the accounts as required by the special nature of the business.

#### **2. Instalment credit agreements**

Where charges on instalment credit agreements are added to the amount financed at the commencement of the agreement, income and unearned interest charges have been calculated in accordance with a formula known as the 'Rule of 78' after deduction of commission payable to dealers. In other transactions, charges are debited to customers' accounts as and when they fall due.

#### **3. Provisions for bad and doubtful debts**

Provisions are made against receivables when it is considered that recovery is doubtful or losses anticipated.

Provisions made during the year are charged against profits. Receivables classified as bad debts are written off in part or in whole when the extent of the loss incurred has been confirmed.

#### **4. Fixed assets**

Equipment is depreciated on a straight line basis at a rate of 20% per annum.

#### **5. Deferred taxation**

Certain items of income and expenditure are accounted for in different periods for financial reporting purposes and for taxation purposes. Deferred taxation is provided on the liability method in respect of timing differences which are expected to result in a taxation liability in the foreseeable future.

# ROYSCOT MOTOR FINANCE LIMITED

## Profit & loss account for the year ended 30th September 1992

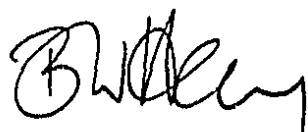
	Note	£	1991 £
Instalment credit income		64,723	-
Cost of sales		<u>23,101</u>	<u>-</u>
Gross profit		41,622	-
Operating costs		<u>42,332</u>	<u>-</u>
Loss on ordinary activities before taxation	2	(710)	-
Taxation	4	<u>234</u>	<u>-</u>
Retained loss for the financial year	11	<u>(476)</u>	<u>-</u>



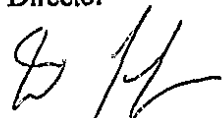
# ROYSCOT MOTOR FINANCE LIMITED

Balance sheet  
at 30th September 1992

	Note	£	1991 £
<b>Fixed assets</b>			
Tangible assets	5	<u>4,140</u>	<u>-</u>
<b>Current assets</b>			
Advances to customers due within one year	6	1,057,605	-
Advances to customers due after more than one year	6	1,771,545	-
Debtors	7	<u>17,138</u>	<u>2</u>
		2,846,288	2
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	8	<u>2,850,902</u>	<u>-</u>
Net current (liabilities)/assets		<u>(4,614)</u>	<u>2</u>
Net (liabilities)/assets		<u>(474)</u>	<u>2</u>
<b>Capital and reserves</b>			
Called-up share capital	10	2	2
Profit and loss account	11	<u>(476)</u>	<u>-</u>
		<u>(474)</u>	<u>2</u>



Director



Director

# ROYSCOT MOTOR FINANCE LIMITED

## Notes on the accounts

for the year ended 30th September 1992

### 1. Ultimate holding company

The company is a wholly owned subsidiary of RoyScot Trust plc. The company's ultimate holding company is The Royal Bank of Scotland Group plc which is incorporated in Great Britain and registered in Scotland.

### 2. Loss on ordinary activities before taxation

The loss on ordinary activities before taxation is stated after charging:

	£	1991 £
Interest payable to group companies	23,101	-
Auditor's remuneration	1,575	-
Depreciation	239	-

### 3. Directors' emoluments

The directors received no emoluments from the company during the year

### 4. Taxation

	£	1991 £
Group relief - current year	9,631	-
Deferred taxation - current year	<u>(9,865)</u>	<u>-</u>
	<u>(234)</u>	<u>-</u>

The tax charge for the current year has been based on a corporation tax rate of 33%

### 5. Tangible fixed assets

	£	1991 £
<b>Cost</b>		
Acquired in year and as at 30th September	4,379	-
<b>Depreciation</b>		
Provision for year and as at 30th September	<u>239</u>	<u>-</u>
<b>Net book value</b>		
At 30th September 1992	<u>4,140</u>	<u>-</u>

# ROYSCOT MOTOR FINANCE LIMITED

## Notes on the accounts - continued

### 6. Advances to customers

	£	1991 £
Amounts falling due within one year	1,057,605	-
Amounts falling due after more than one year	<u>1,771,545</u>	<u>-</u>
	<u>2,829,150</u>	<u>-</u>

The capital cost of assets financed during the year was £2,998,393.

### 7. Debtors

	£	1991 £
Amounts falling due within one year:		
Sundry debtors	7,273	-
Amounts owed by immediate holding company	-	2
Amounts falling due after more than one year:		
Deferred tax (note 9)	<u>9,865</u>	<u>-</u>
	<u>17,138</u>	<u>2</u>

### 8. Creditors

	£	1991 £
Amounts falling due within one year:		
Amounts owed to immediate holding company	2,631,604	-
Amounts owed to other group undertakings	206,530	-
Other creditors	<u>12,768</u>	<u>-</u>
	<u>2,850,902</u>	<u>-</u>

### 9. Deferred taxation asset

	£	1991 £
General bad debt provision		
Amount transferred to profit and loss account	<u>9,865</u>	<u>-</u>
At 30th September 1992 (note 7)	<u>9,865</u>	<u>-</u>

There is no potential liability for deferred taxation

# ROYSCOT MOTOR FINANCE LIMITED

## Notes on the accounts - continued

### 10. Called-up share capital

	£	1991 £
Authorised:		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid:		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

### 11. Profit and loss account

	£
Retained loss for year	<u>(476)</u>
At 30th September 1992	<u>(476)</u>

### 12. Capital commitments

No capital expenditure was authorised or contracted for at 30th September 1992.

### 13. Contingent liabilities

There were no contingent liabilities at 30th September 1992.

### 14. Approval of accounts

The accounts were approved by the board of directors on **17 NOV 1992**

# ROYSCOT MOTOR FINANCE LIMITED

## *Report of the auditor*

We have audited the accounts on pages 6 to 11 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the company's affairs at 30th September 1992 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Coopers & Lybrand.*

Coopers & Lybrand  
Chartered Accountants and Registered Auditor

Gloucester

17 NOV 1992