

Registered No: 2990954

Drakeplot Limited
Directors' Report and Accounts for the year ended 31 December 1996

Registered Office: 41 Lothbury, London EC2P 2BP

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Drakeplot Limited
Registered No: 2990954

Directors' Report

The directors present their report and audited accounts of the company for the year ended 31 December 1996.

Principal Activity and Review of Business

The company has not traded since incorporation.

On 22 December 1995, the company entered into an Agreement to Lease a property for a period of 20 years commencing on the completion of the construction of that property. It is anticipated that the lease will commence during the course of the year ending 31 December 1997. During the year ended 31 December 1996, the company made a partial prepayment of the rental due in the first year of the lease.

On 22 December 1995, the company entered into an Agreement to Sub-Lease the same property for a period of 20 years less one day commencing on the completion of the construction of that property. During the year ended 31 December 1996, the company received a partial prepayment of the rental due in the first year of the Sub-Lease.

Directors

The current directors of the company who all served throughout the year are:-

Malcolm Ian Cameron
John Martin Rushton-Turner
Hugh Anthony Shaw
Paul Vincent Taylor

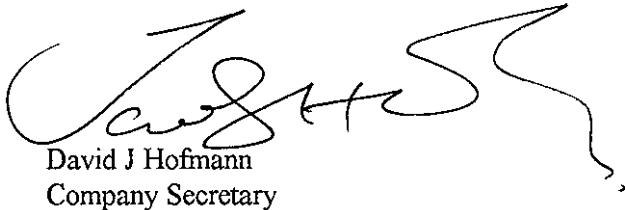
Directors' Interests

The interests (all beneficial) of the directors, in office at 31 December 1996, in the share and loan capital of National Westminster Bank Plc as recorded in the Register of Directors' Interests in accordance with Section 325 of the Companies Act 1985 are shown in note 6 on pages 8 and 9.

Elective Resolutions

KPMG were appointed as auditors on 26 July 1995 and resigned on 27 October 1997. KPMG Audit Plc was appointed as auditor on 27 October 1997. The Company has passed an elective resolution pursuant to Section 379A of the Companies Act 1985 dispensing with the holding of annual general meetings, the laying of annual reports and accounts before the shareholders in general meeting and the re-appointment of auditors by the Company, accordingly KPMG Audit Plc remain in office.

On behalf of the Board



David J Hofmann
Company Secretary

Date: 27th October 1997

Registered Office:
41 Lothbury
London
EC2P 2BP

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Directors' Responsibility for Financial Reporting

The following statement, which should be read in conjunction with the Report of the Auditor set out on the following page, is made to enable shareholders to distinguish the respective responsibilities of the directors and the auditors in the 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 set out on Pages 6 to 9 have been prepared on the going concern basis and consider that in preparing those accounts, 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 Board of Directors is responsible for the company's system of internal financial control. The company's system of internal financial control is designed to provide reasonable, but not absolute, assurance:

- as to the reliability and integrity of the accounts;
- that assets are safeguarded and only authorised transactions are entered into; and
- that fraud and other irregularities are prevented and detected.

In devising internal financial controls, the Board has regard to the materiality of the relevant financial risk, the likelihood of the risk crystallising and the costs of control.

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Report of the Auditor to the members of Drakeplot Limited

We have audited the accounts on pages 6 to 9.

Respective responsibilities of directors and auditors

As described on the previous page, the company's Directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, of those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 1996 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
KPMG Audit Plc
Chartered Accountants
Registered Auditor

27 October 1997
London

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BALANCE SHEET AS AT 31 December 1996

	Note	31 December 1996	31 December 1995
		£	£
CURRENT ASSETS			
Amounts due from holding company		2	2
Cash at bank and in hand		117	-
Prepayments and accrued income		10,300	-
		<u>10,419</u>	<u>2</u>
CURRENT LIABILITIES			
Accruals and deferred income		10,400	-
VAT payable		17	-
		<u>10,417</u>	<u>-</u>
NET CURRENT ASSETS		<u>2</u>	<u>2</u>

SHAREHOLDER'S FUNDS

Called Up Share Capital	7	2	2
		<u>10,402</u>	<u>2</u>

These accounts were approved by the Board of Directors on 27 October 1997 and signed on its behalf by:-


P V Taylor
Director

Date: 27 October 1997

NOTES TO THE ACCOUNTS - 31 December 1996

1. ACCOUNTING POLICIES

a) Accounting Convention.

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

b) Rents Payable and Receivable

Rents payable and receivable are recognised in the period to which they relate.

c) Financial Reporting Standard 1 (revised)

Under Financial Reporting Standard 1 (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that more than 90% of the voting rights are controlled within the group and a consolidated cash flow statement is included in the ultimate parent company's accounts which are publicly available.

d) Financial Reporting Standard 8

Under Financial Reporting Standard 8, the company is exempt from the requirement to disclose related party transactions within the group on the grounds that more than 90% of the voting rights are controlled within the group and the consolidated accounts of the ultimate parent company are publicly available. There were no related party transactions outside the group.

2. PROFIT AND LOSS ACCOUNT

During the financial year the company received no income and incurred no expenditure. Consequently, the company made neither a profit nor a loss (1995: neither a profit nor a loss).

3. STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses for the financial year (1995, no recognised gains or losses).

4. AUDITOR'S REMUNERATION

The audit fee is borne by National Westminster Bank Plc, the ultimate parent company.

5. DIRECTORS' EMOLUMENTS AND EMPLOYEES

None of the directors received any emoluments in respect of their services to the company during the year (1995: Nil). The company has no employees.

6. DIRECTORS' INTERESTS

The interests, all beneficial, of those who were directors of the Company at 31 December 1996 in the Ordinary Shares of £1 of National Westminster Bank Plc were:

Ordinary Shares of £1 each

	Shares		Share Options					
	As at 1 January 1996	As at 31 December 1996	As at 1 January 1996	Granted during the year		Exercised during the year		As at 31 December 1996
				Options	Price (p)	Options	Price (p)	
M I Cameron	2,827	3,522	37,884	379 8,500	546 637	1,224	196	45,539
J M Rushton-Turner	3,618	7,337	-	-	-	-	-	-
H A Shaw	14,048	15,681	49,173	214	546	-	-	49,387
P V Taylor	-	-	3,907	151	546	-	-	4,058

Options granted during the period are exercisable between 1999 and 2006.

Options outstanding are exercisable at prices between 196p and 637p per share. Options granted under the National Westminster Bank Plc Executive Share Option Scheme are subject to the achievement of stretching performance conditions.

None of the directors in office at 31 December 1996 held any interest in the shares of the Company.

During 1996, the director listed below was granted potential awards under the Medium Term Equity Plan (MTEP) in respect of 1996. MTEP is a type of Employee Share Ownership Plan funded by National Westminster Bank Plc and administered by an independent trustee. The awards are subject to a stretching performance condition. The achievement of the performance conditions would result in the director receiving the number of ordinary shares of £1 each shown below. These shares were acquired by the Trustee of the Plan at an average price of 692p.

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If the performance criterion is met, the director will be able to elect to have the shares awarded transferred to him between 1999 and 2003. If the performance criterion is not met the directors interest in the shares ceases.

Director	Potential Award
H A Shaw	7228

As at 31 December 1996 1,234,032 (1995: 375,881) shares were held by the independent trustee for the Plan and, under the terms of the trust deed setting up the Plan, all employees and directors are deemed to have an interest as potential discretionary beneficiaries in those ordinary shares.

7. SHARE CAPITAL	Authorised	Allotted Called up and Unpaid
Ordinary shares of £1 each	100 ====	2 =

8. COMMITMENTS

On 22 December 1995, the company entered into an agreement to lease a property for a period of 20 years commencing on the completion of the construction of that property. It is anticipated that the lease will commence during the course of the year ending 31 December 1997. The associated lease commitments will be recognised from the commencement of the lease.

9. ULTIMATE HOLDING COMPANY

The ultimate holding company is National Westminster Bank Plc, a company incorporated in England and Wales. The largest and smallest group in which the results are consolidated is that of National Westminster Bank Plc.

Copies of the accounts of National Westminster Bank Plc can be obtained from:
The Company Secretary, National Westminster Bank Plc, 41 Lothbury, London EC2P 2BP.