

COMPANY REGISTERED NUMBER 645093

CTL LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1996



CTL LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their report and the financial statements for the year ended 31 March 1996.

BUSINESS REVIEW

The principal activity of the company is financing the leasing of vehicles, plant and machinery. The company achieved a profit before taxation of £161,640 (1995: £362,274) for the year. A dividend of £424,362 (1995: £587,326) was proposed during the year.

DIRECTORS

The directors who served during the year were:

A C Webb
P A Barry
B P P Blake

DIRECTORS' INTERESTS

Mr A C Webb, Mr P A Barry and Mr B P P Blake are also directors of Chartered Trust Group plc and their interests in the shares and debentures of the ultimate parent company Standard Chartered PLC and its subsidiary companies are dealt with in the report of the directors of the former company.

DIRECTORS' LIABILITY INSURANCE POLICY

During the year the ultimate parent company has maintained cover for the company's directors, under a directors' and officers' liability insurance policy, as permitted by Section 310 of the Companies Act 1985.

AUDITORS

Our previous auditors, KPMG, have indicated to the directors that a limited liability company, KPMG Audit Plc, is to undertake part of their audit business. Accordingly KPMG resigned on 7 June 1996, and on 10 July 1996 the directors appointed KPMG Audit Plc to fill the casual vacancy. A resolution is to be proposed at the annual general meeting to confirm the appointment of KPMG Audit Plc as auditors of the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

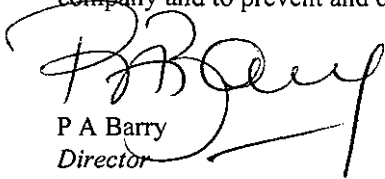
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

CTL LIMITED

REPORT OF THE DIRECTORS *(continued)*

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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.

A handwritten signature in dark ink, appearing to read 'P A Barry', is written over the printed name and title.

P A Barry
Director

**REPORT OF THE AUDITORS, KPMG AUDIT PLC, TO THE MEMBERS OF
CTL LIMITED**

We have audited the accounts on pages 4 to 9.

Respective responsibilities of directors and auditors

As described on pages 1 and 2 the 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 affairs of the company at 31 March 1996 and of the company's profit 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

Marlborough House
Fitzalan Court
Fitzalan Road
Cardiff
CF2 1TE

22nd January, 1997

CTL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1996

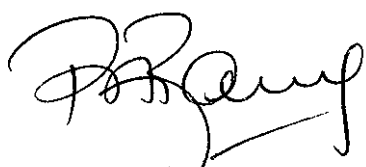
	<i>Note</i>	<i>1996</i>	<i>1995</i>
		£	£
TURNOVER	3	517,200	691,994
Administrative expenses		(72,704)	(62,083)
Interest payable to parent undertaking		(282,856)	(267,637)
		<hr/>	<hr/>
OPERATING PROFIT BEING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	6	161,640	362,274
Tax on profit on ordinary activities	7	262,722	(825,239)
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION BEING PROFIT/(LOSS) FOR THE FINANCIAL YEAR		424,362	(462,965)
Dividends proposed		(424,362)	(587,326)
		<hr/>	<hr/>
		-	(1,050,291)
Retained profit brought forward		4,243	1,054,534
		<hr/>	<hr/>
RETAINED PROFIT CARRIED FORWARD		4,243	4,243
		<hr/>	<hr/>

The amounts passing through the profit and loss account represent the total recognised gains and losses for the current and preceding years.

CTL LIMITED

BALANCE SHEET AT 31 MARCH 1996

	<i>Note</i>	<i>1996</i>	<i>1995</i>
		£	£
CURRENT ASSETS			
Debtors		8,060,562	5,169,338
CREDITORS: Amounts falling due within one year		(7,728,579)	(4,837,355)
NET CURRENT ASSETS:			
Falling due within one year		(3,586,038)	(2,658,626)
Receivable after more than one year		3,918,021	2,990,609
NET ASSETS		331,983	331,983
CAPITAL AND RESERVES			
Called up share capital	10	275,000	275,000
Share premium account		52,740	52,740
Profit and loss account		4,243	4,243
Shareholders' funds	11	331,983	331,983


P A Barry } Director

The accounts were approved by the Board of Directors on 22nd January, 1997.

CTL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

1. PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

a. *Basis of accounting*

The financial statements have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards.

b. *Equipment leased to customers*

Assets leased to customers under agreements which transfer substantially all the risks and rewards associated with the ownership, other than legal title are classified as finance leases. The balance sheet amount represents total minimum lease payments less deferred income. Income from finance leases is credited to the profit and loss account in proportion to the funds invested.

c. *Deferred taxation*

Provision is made, on the liability basis, for the tax effects arising from timing differences which can, with reasonable probability, be expected to reverse in the foreseeable future. Where such timing differences give rise to a deferred tax asset, this is not recognised in the financial statements.

d. *Bad debts*

Provision against debtors is calculated by reference to the record of payments received and where appropriate, the security held or the value of the goods to which the agreements relate.

2. PARENT UNDERTAKING AND ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Chartered Trust Group plc. The ultimate parent company is Standard Chartered PLC. Both companies are registered in England and Wales. Copies of the statutory accounts of Chartered Trust Group plc and Standard Chartered PLC are available at the registered office of the companies located at 24-26 Newport Road, Cardiff and 1 Aldermanbury Square, London respectively.

3. TURNOVER

Turnover represents leasing income derived solely in the United Kingdom and credited to the profit and loss account during the year.

4. STAFF NUMBER AND COSTS

The company did not directly employ any persons during the year (1995 - NONE), accounting and administrative services being provided by a fellow subsidiary undertaking.

5. DIRECTORS' EMOLUMENTS

Neither the chairman nor any other director received any fees or emoluments during the year (1995 - £NIL).

CTL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

(continued)

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit before taxation is stated after	1996 £	1995 £
Auditors' remuneration	2,496	1,624
	<hr/>	<hr/>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

This comprises:	1996 £	1995 £
Current year:		
Corporation tax at 33%	(262,722)	825,239
	<hr/>	<hr/>

The credit in the current year arises due to the application of the accounting policy for deferred tax which prevents recognition of a deferred tax asset and therefore does not reflect the partial reversal of such.

8. DEBTORS

	1996 £	1995 £
Trade debtors	7,591,448	5,169,338
Other debtors	78,152	-
Corporation tax	390,962	-
	<hr/>	<hr/>
	8,060,562	5,169,338
	<hr/>	<hr/>

Trade debtors are comprised as follows:

Amounts falling due within one year:	1996 £	1995 £
Trade debtors - equipment leased to customers	4,154,790	2,456,472
Less: unearned income	(481,363)	(277,743)
	<hr/>	<hr/>
	3,673,427	2,178,729
	<hr/>	<hr/>

CTL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

(continued)

8. DEBTORS (continued)

	1996 £	1995 £
Amounts falling due after one year:		
Trade debtors - equipment leased to customers	4,458,009	3,397,900
Less: unearned income	(539,988)	(407,291)
	<hr/>	<hr/>
	3,918,021	2,990,609
	<hr/>	<hr/>
	7,591,448	5,169,338
	<hr/>	<hr/>

	1996 £	1995 £
Cost of assets financed in the year	5,105,444	1,687,237
	<hr/>	<hr/>
Finance lease rentals received in the year	1,883,948	2,090,402
	<hr/>	<hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996 £	1995 £
Amounts owed to parent undertaking	7,114,165	3,905,356
Corporation tax	-	192,490
Accruals and deferred income	190,052	152,183
Dividends payable	424,362	587,326
	<hr/>	<hr/>
	7,728,579	4,837,355
	<hr/>	<hr/>

CTL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

(continued)

10. SHARE CAPITAL

	1996 £	1995 £
Authorised		
Ordinary shares of 10p each	400,000	400,000
Allotted, called up and fully paid		
Ordinary shares of 10p each	275,000	275,000

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
Balance at 1 April	331,983	1,382,274
Profit/(loss) for the financial year	424,362	(462,965)
Dividends	(424,362)	(587,326)
Balance at 31 March	331,983	331,983

12. CAPITAL COMMITMENT AND CONTINGENCIES

There were no capital commitments or contingencies at the balance sheet date.

13. CASH FLOW STATEMENT

As the company is a wholly owned subsidiary and its ultimate parent undertaking, Standard Chartered PLC, publishes a consolidated cash flow statement dealing with the consolidated cash flows of the group, the company itself does not prepare a cash flow statement.