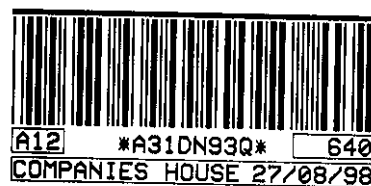


Company No: 2489763

GREENWICH NATWEST LIMITED
(formerly CNW INVESTMENTS LIMITED)

REPORT AND ACCOUNTS

31 DECEMBER 1997



GREENWICH NATWEST LIMITED

REPORT OF THE DIRECTORS

The directors present their annual report together with the audited financial statements of the Company for the year ended 31 December 1997.

CHANGE OF NAME

The name of the Company changed from CNW Investments Limited to Greenwich NatWest Limited on 3 June 1998.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The Company held 50% of the ordinary share capital of New Oxford Limited, a property joint venture company, which was liquidated on 9 December 1997.

RESULTS AND DIVIDENDS

The profit on ordinary activities before taxation was £48 (1996: £Nil) on which there was a taxation charge of £16 (1996: £Nil). The directors does not recommend the payment of a final dividend (1996: £Nil) and the retained profit of £32 (1996: £Nil) has been transferred to reserves as shown in the profit and loss account on page 5.

DIRECTORS

The directors who held office during the financial year were as follows:

R J Freedman (resigned 31 December 1997)

T Lundie was appointed as a director on 18 February 1998.

DIRECTORS' INTERESTS

None of the directors in office at 31 December 1997 held any interest in the share or loan capital of the Company or any other group company.

MEDIUM TERM EQUITY PLAN

During 1997, certain NatWest Group employees were granted potential awards under the Medium Term Equity Plan. This 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 stretching performance criteria.

As at 31 December 1997, 1,411,552 (1996: 1,234,032) shares were held by the independent trustee for the Plan and, in 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.

GREENWICH NATWEST LIMITED

REPORT OF THE DIRECTORS (continued)

Qualifying Employee Share Ownership Trust (QUEST)

In October 1997 National Westminster Bank Plc established a Qualifying Employee Share Ownership Trust (QUEST) to operate in connection with the National Westminster Bank Plc Savings Related Share Option Scheme. The trustee of the QUEST is NatWest QUEST Limited, a wholly-owned subsidiary.

As at 31 December 1997 1,566,065 Ordinary Shares were held by the trustee. In the terms of the trust deed setting up the QUEST, all employees and executive directors are deemed to have an interest as potential discretionary beneficiaries in those Ordinary Shares.

AUDITORS

The Company has passed an Elective Resolution to dispense with the annual appointment of auditors; accordingly KPMG Audit Plc remain in office as auditors.

By Order of the Board



S E Lewis
Secretary

Date: 28/7/98

GREENWICH NATWEST LIMITED

DIRECTORS' STATEMENT OF RESPONSIBILITIES FOR FINANCIAL REPORTING

The following statement, which should be read in conjunction with the Report of the Auditors on page 4, is made to enable shareholders to distinguish the respective responsibilities of the Director and of the Auditors in relation to the financial statements.

The Director is required by the Companies Act 1985 to prepare, for each financial year, financial statements 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 profit for that financial year.

The Director confirms that the financial statements set out on pages 5 to 8 have been prepared on the going concern basis and consider that in preparing those financial statements, 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 Director has the 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 financial statements comply with the Companies Act 1985.

The Director is responsible for the Company's system of internal financial control. The responsibility for its day-to-day operation is delegated to executive management which has established and disseminated clearly defined Company policies and standards. 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
- that fraud and other irregularities are prevented and detected.

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

The system of internal control is subject to close scrutiny by management and internal audit.



.....
T Lundie, Director

28 July 1998

REPORT OF THE AUDITORS TO THE MEMBERS
OF
GREENWICH NATWEST LIMITED

We have audited the financial statements on pages 5 to 8.

Respective responsibilities of directors and auditors

As described on page 3, the Company's Director is 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 Director 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 31 December 1997 and of its 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
28 July 1998

8 Salisbury Square
Blackfriars
London, EC4Y 8BB

GREENWICH NATWEST LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1997

	Note	<u>1997</u> £	<u>1996</u> £
Waiver of Intra group loan		48	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		48	-
Prior year tax charge		(16)	-
		<hr/>	<hr/>
Profit for the financial year		32	-
		<hr/> <hr/>	<hr/> <hr/>

The Company has no recognised gains or losses other than those included in the profit and loss account above.

A statement of movement on reserves is shown in note 4.

GREENWICH NATWEST LIMITED

BALANCE SHEET

AT 31 DECEMBER 1997

	<u>Note</u>	<u>1997</u> £	<u>1996</u> £
Current Assets			
Debtors		-	16
Creditors: amounts falling due within one year			
Amounts due to group undertakings		-	(48)
		<hr/>	<hr/>
Net Current Liabilities		-	(32)
		<hr/>	<hr/>
Capital and Reserves			
Called up share capital	3	2	2
Profit and loss account	4	(2)	(34)
		<hr/>	<hr/>
		-	(32)
		<hr/>	<hr/>

The accounts on pages 5 to 8 were approved by the sole Director on 28 July 1998 and signed by him:



T Lundie, Director

28 July 1998

GREENWICH NATWEST 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) Cashflow Statement

The company has not prepared a cashflow statement because it is exempted from doing so under paragraph 5a of Financial Reporting Standard 1 (revised).

2. Directors and Employees

The Director did not receive any emoluments for his services to the company during the year (1996: £Nil).

The Company does not have any employees.

3. Share Capital

	<u>1997</u>		<u>1996</u>	
	<u>Authorised</u>	Allotted, Called Up and <u>Fully Paid</u>	<u>Authorised</u>	Allotted, Called Up and <u>Fully Paid</u>
	£	£	£	£
Ordinary Shares of £1 each	100	2	100	2
	=====	=====	=====	=====

GREENWICH NATWEST LIMITED

NOTES TO THE ACCOUNTS (Cont'd)

4. Reconciliation of Shareholders' Funds

	Share Capital <u>£</u>	Profit & Loss Account <u>£</u>	Total Shareholder's Funds <u>£</u>
Balance at 1 January 1997	2	(34)	(32)
Retained profit for the year	-	32	32
	<hr/>	<hr/>	<hr/>
Balance at 31 December 1997	2	(2)	-
	<hr/>	<hr/>	<hr/>

5. Transactions with Parent, Subsidiary and Fellow Subsidiary Undertakings

As the Company is a wholly owned subsidiary of National Westminster Bank Plc it has taken advantage of the exemption provided under Financial Reporting Standard 8 not to disclose transactions with its parent, subsidiary and fellow subsidiary undertakings.

6. Holding Company

The Company is a wholly-owned subsidiary undertaking whose 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.