

AUTOLEASE HOLDINGS LIMITED

Annual Report
& Accounts 1999



Report of the Directors

The directors have pleasure in submitting their annual report and the financial statements for the year ended 31 December 1999.

Principal activities

The company acts as a parent to Autolease Limited.

On 6 January 1999, the company changed its name to Autolease Holdings Limited.

During the year Standard Chartered PLC restructured its contract hire operations. As a result ACL Autolease Limited was incorporated to act as holding company for all contract hire operations within the group. Details of the change in ownership are given in Note 2.

EMU

The company's intermediate holding company Chartered Trust Holdings plc, and its ultimate parent, Standard Chartered PLC, has established a structured programme involving all businesses and locations to prepare for the Euro.

Year 2000

We were confident that thorough preparations for the millennium transition would enable the company, its intermediate parent, Chartered Trust Holdings plc and its ultimate parent, Standard Chartered PLC, to continue our usual high standards of service to our clients, without interruption, into the 21st century.

We are pleased to be able to confirm that Standard Chartered PLC, its subsidiary undertakings, including Autolease Holdings Limited, has made a successful transition to the new millennium. In line with our expectations, we are conducting business as usual. Given the complexity of the issue we will remain vigilant to ensure that our technology remains compliant during the year 2000 and beyond.

Costs incurred in respect of Year 2000 for Chartered Trust Holdings plc have been quantified and the group's normal accounting policies apply. As a result, the majority of the expenditure is being expensed, whilst a small proportion representing investment in new equipment has been capitalised. However, costs incurred in achieving Year 2000 compliance for Autolease Holdings Limited cannot be separately identified because Autolease Holdings Limited's systems are shared across companies within Chartered Trust Holdings plc. The work to achieve compliance has therefore been undertaken at group level, with Chartered Trust Holdings plc having incurred total spend to 31 December 1999 on Year 2000 of £17.8m. Of this £1.7m has been capitalised, with £16.1m being expensed, of which £6.1m has been expensed during the year.

Directors

The names of the directors are as follows:

A M Tucker (resigned 10 March 2000)
A Guest (resigned 10 March 2000)
J M Given
K B Hall (resigned 10 March 2000)
J Haynes (resigned 2 August 1999)
S J Richmond
B P P Blake (deceased 16 January 2000)
J L Davies (resigned 25 May 1999)
D S Gow (appointed 16 March 2000)

Sadly, Paul Blake died in January 2000. Paul joined the Chartered Trust group of companies in October 1985 and subsequently held executive responsibilities for many key areas of the businesses, including the managing directorship of ACL. He was a highly respected member of Chartered Trust and will be greatly missed by all of his colleagues.

Directors' interests

At 31 December 1999, B P P Blake and S J Richmond were also directors of ACL Autolease Limited and their interests in the shares and debentures of Standard Chartered PLC and its subsidiary companies are shown in the report of the directors of the former company. None of the other directors had any interests in the shares of Standard Chartered PLC or any of its subsidiary companies.

The allocation of share options to the members of the board of Autolease Holdings Limited is determined, as it is for senior management within the Standard Chartered Group, in accordance with criteria laid down by the board of Standard Chartered PLC. Disclosure of the average prices at which options have been exercised by the directors is therefore not given in these financial statements.

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 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.

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.

By order of the board

A handwritten signature in black ink, appearing to read 'S J Richmond', with a long horizontal flourish extending to the right.

S J Richmond
Director

7 APRIL 2000

Report of the auditor, KPMG Audit Plc, to the members of Autolease Holdings Limited

We have audited the accounts on pages 4 to 8.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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 December 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

14 April 2000

KPMG Audit Plc

Chartered Accountants
Registered Auditor

Marlborough House
Fitzalan Court
Fitzalan Road
Cardiff
CF24 0TE

Profit and loss account

31 December 1999

	Note	1999 £'000	1998 £'000
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		-	-
Operating profit		-	-
Income from shares in subsidiary undertaking		-	650
Interest receivable and similar income	5	-	13
Interest payable and similar charges	6	-	(201)
Profit on ordinary activities before taxation		-	462
Taxation on profit on ordinary activities	8	(46)	58
(Loss)/profit on ordinary activities after taxation		(46)	520
Dividend paid		-	(400)
Retained (loss)/profit for the financial year		(46)	120
Retained profit brought forward		168	48
Retained profit carried forward		122	168

The above results relate to continuing operations.

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

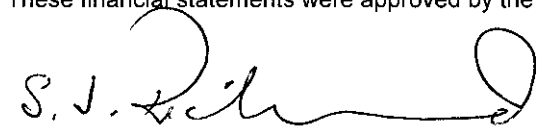
There is no material difference between the results as disclosed in the profit and loss and the result on an historic cost basis.

Balance sheet

31 December 1999

	Note	1999 £'000	1998 £'000
Fixed assets			
Investments	9	50,000	50,000
Current assets			
Debtors	10	1,122	1,168
Net assets		51,122	51,168
Capital and reserves			
Called up share capital	11	51,000	51,000
Profit and loss account		122	168
Equity shareholders' funds	12	51,122	51,168

These financial statements were approved by the board on 7 April 2000 and signed on its behalf by:



S J Richmond
Director

Notes to the financial statements

31 December 1999

1. Accounting policies

Accounting convention

The financial statements of Autolease Holdings Limited have been prepared on the historical cost basis of accounting, modified by the inclusion of certain fixed assets at valuation and in accordance with applicable Accounting Standards. A summary of the more important accounting policies is set out below, together with an explanation of where they have not been applied consistently.

As an intermediate holding company, the company is not required to produce consolidated financial statements and has not done so in accordance with section 228 of the Companies Act 1985.

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.

Related party transactions

The exemption given under the Financial Reporting Standard 8 from the requirement to disclose transactions with group companies has been adopted as the company is a wholly owned subsidiary and the accounts of its ultimate holding company, Standard Chartered PLC, are publicly available.

2. Parent undertaking and ultimate parent undertaking

On 5 March 1999, the immediate parent undertaking Standard Chartered UK Holdings Limited sold its interest in the shares of Autolease Holdings Limited to ACL Autolease Limited.

At 31 December 1999, the immediate parent undertaking is ACL Autolease Limited. The ultimate parent undertaking, throughout the financial year was Standard Chartered PLC. Both companies are registered in England and Wales. Consolidated accounts are prepared by Chartered Trust Holdings plc, one of its intermediate holding companies and copies of the statutory accounts of that company and Standard Chartered PLC are available at their registered offices located at 24-26 Newport Road, Cardiff CF24 0SR and 1 Aldermanbury Square, London EC2V 7SB, respectively.

3. Turnover

Turnover represents sales and services rendered to customers excluding value added tax.

4. Staff numbers and costs

The company did not directly employ any persons during the year, accounting and administrative services being provided by Autolease Limited, a wholly owned subsidiary undertaking.

5. Interest receivable

	1999 £'000	1998 £'000
Bank interest	-	13

6. Interest payable

	1999 £'000	1998 £'000
Amounts payable to group undertakings	-	201

7. Directors' emoluments

The directors of Autolease Holdings Limited are remunerated by Autolease Limited, a wholly owned subsidiary.

Notes to the financial statements

8. Taxation of profit on ordinary activities

	1999 £'000	1998 £'000
The charge for the taxation comprises		
Current year:		
Corporation tax	-	58
Prior year adjustments:		
Corporation tax	(46)	-
	(46)	58

9. Investments

Investment
in subsidiary
£'000

Cost and net book value

At 1 January 1999 and 31 December 1999 50,000

The following company, which is incorporated in England and Wales, is a wholly owned subsidiary of Autolease Holdings Limited.

Company	Share capital	Principal activities
Autolease Limited (formerly Britax Autolease Limited)	5,963,379 ordinary shares of £1 each	Contract hire and leasing

10. Debtors

	1999 £'000	1998 £'000
Amounts owed by fellow subsidiary undertakings	1,122	1,110
Corporation tax	-	58
	1,122	1,168

11. Called up share capital

	1999 £'000	1998 £'000
Authorised, allotted, called up and fully paid:		
Ordinary shares of £1 each	51,000	51,000

Notes to the financial statements

12. Reconciliation of movement in equity shareholders' funds

	1999 £'000	1998 £'000
(Loss)/profit for the financial year	(46)	520
Dividend paid	-	(400)
Retained (loss)/profit for the financial year	(46)	120
Issue of share capital	-	50,000
Opening shareholders' funds	51,168	1,048
Closing shareholders' funds	51,122	51,168

13. Capital commitments

There were no contracted and committed capital commitments at the balance sheet date.

14. Contingent liabilities

There were no contingent liabilities at the balance sheet date.