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# Directors' Report and Accounts

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UNITED DOMINIONS LEASING LIMITED

31 OCTOBER 1983

Price  
Waterhouse



UNITED DOMINIONS LEASING LIMITED

REPORT OF THE DIRECTORS

DIRECTORS

DC McCrickard  
FJ Randall

The directors present the audited accounts for the year to 31 October 1983.

PRINCIPAL ACTIVITY

The principal activity of the company is the leasing of passenger cars and other vehicles, plant and equipment.

RESULTS FOR THE YEAR

The profit for the year after taxation and charge for management expenses (1982 - 16 months) made by the intermediate holding company was £269,941 (1982 - £214,972) which has been added to the balance of retained profits brought forward of £215,048 leaving a balance of £484,989 to be carried forward.

The directors do not recommend the payment of a dividend.

DIRECTORS

On 30 November 1983 Mr DC McCrickard was appointed a director of the company and Mr NC Eastwood resigned from the board on the same day. Mr FJ Randall was a director of the company throughout the period under review. Mr DC McCrickard having been appointed to the board during the period under review, retires, and being eligible, offers himself for re-election.

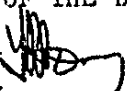
DIRECTORS' INTERESTS IN STOCK AND SHARES

Apart from that disclosed in the Report of the Directors of United Dominions Trust Limited, no person who was a director of the company at the end of the period under review held any interests (as defined by the Companies Act 1967 and according to the register maintained thereunder) at 31 October 1983 or at 1 November 1982 in the shares of the company's ultimate holding company, Trustee Savings Banks (Holdings) Limited, or in the shares or debentures of any of that company's subsidiaries.

AUDITORS

It is proposed that Peat Marwick Mitchell & Co, who are to be appointed auditors of the TSB group, be appointed auditors of the company. This firm has signified its willingness to be so appointed.

BY ORDER OF THE BOARD

LA STOREY   
Secretary

20 December 1983

AUDITORS' REPORT TO THE MEMBERS OF  
UNITED DOMINIONS LEASING LIMITED

We have audited the financial statements on pages 3 to 7 in accordance with approved Auditing Standards.

In our opinion the financial statements, which have been prepared under the historical cost convention, give under that convention a true and fair view of the state of the company's affairs at 31 October 1983 and of its profit for the year then ended and comply with the Companies Acts 1948 to 1981.

The financial statements do not include a statement of source and application of funds as required by Statement of Standard Accounting Practice No 10.

*Price Waterhouse*

PRICE WATERHOUSE

Chartered Accountants  
London

20 December 1983

UNITED DOMINIONS LEASING LIMITED

PROFIT AND LOSS ACCOUNT

	12 months ended 31 October 1983	16 months ended 31 October 1982
Turnover (Note 1)	22,179,234	31,158,528
Cost of sales	<u>18,711,929</u>	<u>25,381,060</u>
Gross profit	3,467,305	5,777,468
Administrative expenses (Note 2)	<u>(2,042,000)</u>	<u>(2,644,779)</u>
Operating profit (Note 3)	1,425,305	3,132,689
Interest payable and similar charges (on borrowings repayable within five years)	<u>(1,155,364)</u>	<u>(2,584,717)</u>
Profit on ordinary activities before taxation	269,941	547,972
Taxation (Note 4)	<u>-</u>	<u>(333,000)</u>
Profit on ordinary activities after taxation	269,941	214,972
Balance brought forward	<u>215,048</u>	<u>76</u>
Balance carried forward	<u>£484,989</u>	<u>£215,048</u>

The notes on pages 5 and 7 form an integral part of these accounts.

# UNITED DOMINIONS LEASING LIMITED

## BALANCE SHEET

	<u>31 October 1983</u>	<u>31 October 1982</u>
FIXED ASSETS		
Tangible assets (Note 5)	26,561,653	21,070,955
CURRENT ASSETS		
Trade debtors	<u>731,321</u>	<u>764,939</u>
CREDITORS (amounts falling due within one year)		
Bills payable	12,000,000	15,000,000
Trade creditors	129,940	271,366
Amounts owed to group companies	<u>14,677,945</u>	<u>6,349,380</u>
	<u>26,807,885</u>	<u>21,620,746</u>
Net current liabilities	(26,076,564)	(20,855,807)
Total assets less current liabilities	<u>£485,039</u>	<u>£215,148</u>
CAPITAL AND RESERVES		
Share capital		
Authorised, issued and fully paid 100 shares of £1 each	100	100
Profit and loss account	<u>484,989</u>	<u>215,048</u>
	<u>£485,089</u>	<u>£215,148</u>

### DIRECTORS

DC McCrickard  
FJ Randall

20 December 1983

The notes on pages 5 and 7 form an integral part of these accounts.

# UNITED DOMINIONS LEASING LIMITED

## NOTES TO THE ACCOUNTS - 31 OCTOBER 1983

### 1 ACCOUNTING POLICIES

#### (i) Turnover

Turnover represents the total of rents receivable on leasing business and proceeds from the disposals of leased assets.

#### (ii) Depreciation

Equipment and vehicles on lease are depreciated over the primary period of the lease on a rising scale so that the net leasing income (ie the lease rental less depreciation) is spread over the period in which the rentals are due in proportion to the reducing rentals still outstanding and not yet due.

#### (iii) Deferred taxation

Provision is made in the accounts for timing differences arising from the accounting and taxation treatment of depreciation of assets on lease, except to the extent that the potential tax liability is not expected to arise in the foreseeable future.

### 2 ADMINISTRATIVE EXPENSES

The administrative expenses represent a management fee paid to the intermediate holding company, United Dominions Trust Limited. This management fee is deemed to cover interest, staff costs, auditors' remuneration and directors' emoluments although no specific allocations have been made. The company has no employees in its own name.

### 3 OPERATING PROFIT

The operating profit for the year is arrived at after charging/(crediting):

	<u>1983</u>	<u>1982</u>
Depreciation	<u>£11,727,226</u>	<u>£18,131,216</u>
Profit on disposal of fixed assets	<u>£(3,458,301)</u>	<u>£(6,067,032)</u>

UNITED DOMINIONS LEASING LIMITED

NOTES TO THE ACCOUNTS -- 31 OCTOBER 1983 (Continued)

4 TAXATION

(i) Corporation tax

Corporation tax on the profits of the company have been relieved against taxable losses of certain other group companies. These losses have been surrendered for a nil consideration (1982 £333,000).

(ii) Deferred taxation

Timing differences giving rise to the potential liability for deferred taxation and the amounts included in the balance sheet are as follows:

	1983		1982	
	<u>Potential liability</u>	<u>Amount provided</u>	<u>Potential liability</u>	<u>Amount provided</u>
Accelerated depreciation and general bad debt provision	<u>£1,674,000</u>	<u>£Nil</u>	<u>£259,000</u>	<u>£Nil</u>

5 FIXED ASSETS

Tangible assets: equipment on lease

	<u>Cost</u>	<u>Depreciation</u>	<u>Net book value</u>
Balance at 1 November 1982	47,488,632	26,417,677	21,070,955
Additions	21,494,097	--	21,494,097
Disposals	(17,558,621)	(13,282,448)	(4,276,173)
	51,424,108	13,135,229	38,288,879
Depreciation for the period	--	<u>11,727,226</u>	<u>11,727,226</u>
Balance at 31 October 1983	<u>£51,424,108</u>	<u>£24,862,455</u>	<u>£26,561,653</u>

UNITED DOMINIONS LEASING LIMITED

NOTES TO THE ACCOUNTS - 31 OCTOBER 1983 (Continued)

6 CAPITAL EXPENDITURE

	<u>1983</u>	<u>1982</u>
(i) Total amount for which contracts for capital expenditure are in existence but in respect of which no provision has been made in the accounts	<u>£3,065,757</u>	<u>£1,373,220</u>
(ii) Total amount for which capital expenditure has been authorised but no contract has been made	<u>£669,740</u>	<u>£357,470</u>

7 ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Trustee Savings Banks (Holdings) Limited which is incorporated in the United Kingdom.