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UNITED DOMINIONS LEASING LIMITED

30TH JUNE 1973

UNITED DOMINIONS LEASING LIMITED

REPORT OF THE DIRECTORS

DIRECTORS

P.W.S. Rowland - Chairman  
J.L. Whitehorn

The Directors present the audited accounts for the year to 30th June 1978.

RESULTS FOR THE YEAR

The profit for the year after taxation, group relief payment and management fee to the ultimate holding company as shown in the annexed profit and loss account was £193,915 (1977 - £634,729) from which was deducted the restated loss brought forward of £186. The Directors do not recommend the payment of a dividend for the year under review and the balance of £193,730 has been carried forward.

PRINCIPAL ACTIVITIES

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

DIRECTORS

Both of the Directors listed above were Directors of the Company throughout the financial year.


DIRECTORS' INTERESTS IN STOCK AND SHARES

Neither Director in office at the year end held any interest (as defined by the Companies Act 1967, and according to the register maintained thereunder) at 1st July 1977 or at 30th June 1978 in the stock or shares of the Company's ultimate holding company, United Dominions Trust Limited or in the shares or debentures of any of that company's subsidiaries.

AUDITORS

The auditors, Price Waterhouse & Co. have indicated their willingness to be re-appointed.

On behalf of the Board

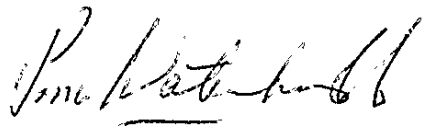
  
Chairman

16th August 1978

AUDITORS' REPORT TO THE MEMBERS OF  
UNITED DOMINIONS LEASING LIMITED

In our opinion the annexed balance sheet, profit and loss account and notes 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 30th June 1978 and of its profit for the year then ended and comply with the Companies Acts, 1948 and 1967. The accounts do not include a statement of source and application of funds as required by Statement of Standard Accounting Practice No. 10.

Southwark Towers  
32 London Bridge Street  
London SE1 9SY

  
Price Waterhouse & Co.  
Chartered Accountants

16th August 1978

UNITED DOMINIONS LEASING LIMITED

BALANCE SHEET AT 30TH JUNE 1978

	<u>1978</u>	<u>1977</u>
<u>USE OF FUNDS</u>		
<u>DEBTORS AND PREPAYMENTS</u>	172,046	239,686
<u>FIXED ASSETS (Note 6)</u>		
At cost	19,800,528	24,300,376
<u>Less: Depreciation</u>	<u>17,849,359</u>	<u>20,125,460</u>
	1,951,169	4,174,916
	<u>2,123,215</u>	<u>4,414,602</u>
<u>DEDUCT:</u>		
<u>SUNDRY CREDITORS</u>	67,273	59,365
	<u>£2,055,942</u>	<u>£4,355,237</u>
<u>SOURCE OF FUNDS</u>		
<u>SHARE CAPITAL</u>		
Authorised, issued and fully paid 100 shares of £1 each	100	100
<u>REVENUE RESERVE</u>		
Profit and loss account	193,730	182,462
	<u>193,830</u>	<u>182,562</u>
<u>AMOUNTS OWING TO GROUP COMPANIES</u>		
Balance in account with group holding company	1,107,282	2,747,951
Balance in account with fellow subsidiary companies	470,312	663,699
	<u>1,577,594</u>	<u>3,411,650</u>
<u>DEFERRED TAXATION</u>	284,518	761,025
	<u>£2,055,942</u>	<u>£4,355,237</u>

*Rus Kewland*  
*J Whitchose*

} Directors

UNITED DOMINIONS LEASING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH JUNE 1978

PROFIT FOR THE YEAR AFTER  
CHARGE FOR MANAGEMENT EXPENSES  
MADE BY THE GROUP HOLDING COMPANY  
AND BEFORE TAXATION (Note 3)

369,118

280,043

TAXATION (Note 5)

Deferred taxation release  
Group relief payment

659,155  
(835,000)  
(175,845)

1,084,505  
(729,819)  
354,686

Adjustments in respect of  
prior years :

Cancellation of group relief  
payments  
Deferred tax release

643

(175,202)

10,250  
(10,250)

354,686

RETAINED PROFIT FOR THE YEAR  
AFTER TAXATION

£193,916

£634,729

STATEMENT OF RETAINED PROFITS

Retained profit for the year  
Retained profits at beginning  
of year

193,916

634,729

As previously reported  
Prior year adjustment  
(see Note 1)

182,462  
(182,648)

37,484  
(672,399)  
(186)

634,915

RETAINED PROFITS AT END OF YEAR

£193,730

£ (186)

UNITED DOMINIONS LEASING LIMITED

NOTES TO THE ACCOUNTS

30TH JUNE 1978

1. ACCOUNTING POLICIES

(a) Depreciation

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

(b) Deferred Taxation

The method for providing for deferred tax on the timing differences between the allowances for depreciation for accounts and tax purposes was changed during the current year from the deferral to the liability method. This change in method has necessitated a prior year adjustment of £182,648 as at 30th June 1977. The profit and loss account for the year ended on that date has been restated in accordance with the changed policy.

2. TURNOVER

The turnover of the company represented the aggregate amount of leasing rents receivable and amounted to £1,970,025 (1977 - £3,454,141).

3. PROFIT FOR THE YEAR

The profit of £369,118 for the year before taxation was arrived at after charging the following items :-

	<u>1978</u>	<u>1977</u>
Depreciation	<u>£2,440,049</u>	<u>£3,424,097</u>
Auditors' remuneration	£ <u>1,400</u>	£ <u>1,600</u>

4. DIRECTORS' EMOLUMENTS

Directors' emoluments were borne by the group holding company and were deemed to form part of the management expenses charged to the company although no specific allocation was made.

UNITED DOMINIONS LEASING LIMITED

NOTES TO THE ACCOUNTS

30TH JUNE 1978 (continued)

5. TAXATION

Depreciation charged in the accounts for the year exceeds the capital allowances to be claimed for tax purposes and an amount has been released from the deferred taxation account in respect of this excess.

The taxable profit which results from this excess has been relieved against the losses of other group companies and payments of £835,000 have been made in respect of the losses surrendered.

6. FIXED ASSETS

Equipment on Lease	Cost less Government Grants <u>Receivable</u>	Depre- ciation	Net Book Amount
Balances at 1st July 1977	24,300,376	20,125,460	4,174,916
<u>Add:</u> Purchases	520,184	-	520,184
	24,820,560	20,125,460	4,695,100
<u>Less:</u> Sales	5,020,037	4,716,150	303,882
	19,800,528	15,409,310	4,391,218
Depreciation for the year	-	2,440,049	2,440,049
Balances at 30th June 1978	<u>£19,800,528</u>	<u>£17,849,359</u>	<u>£1,951,169</u>

7. CAPITAL EXPENDITURE

	<u>1978</u>	<u>1977</u>
Aggregate of commitments to purchase equipment for leasing contracted but not provided for in these accounts	<u>£363,368</u>	<u>£22,354</u>
Aggregate of commitments to purchase equipment for leasing authorised but not yet contracted for	<u>£ 45,405</u>	<u>£50,921</u>

UNITED DOMINIONS LEASING LIMITED

NOTES TO THE ACCOUNTS

30th JUNE 1978 (continued)

8. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is United Dominions Trust Limited which is incorporated in the United Kingdom.

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