

UNITED DOMINIONS LEASING LIMITED

REPORT OF THE DIRECTORS

Directors

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

The Directors present the audited accounts for the year to 30th June, 1975.

RESULTS FOR THE YEAR

The loss for the year after taxation, group relief receipt and management fee to the ultimate holding company as shown in the annexed profit and loss account was £20,710 (1974 - profit £1,911) to which was added the balance brought forward of £25,564. The Directors do not recommend the payment of a dividend for the year under review and the balance of £4,854 has been carried forward.

PRINCIPAL ACTIVITIES

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

DIRECTORS

Mr. K.D. Middleton and Mr. R.W. Peel resigned from the Board on 1st May 1975 and Mr. P.W.S. Rowland and Mr. P.R. Johnson were appointed Directors of the company on that date.

Mr. Rowland and Mr. Johnson, having been appointed to the Board during the year, retire, and being eligible, offer themselves for re-election. Mr. J.L. Whitehorn was a Director of the company throughout the financial year.

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DIRECTORS' INTERESTS IN STOCK AND SHARES

The Directors' interests (as defined by the Companies Act 1967 and according to the Register maintained thereunder) in the stock and shares of the Company's ultimate holding company, United Dominions Trust Limited, required to be shown in this Report are as follows:

	<u>Ordinary Stock units of 25p each</u>	
	<u>1st May, 1975</u>	<u>30th June, 1975</u>
	<u>(date of appointment)</u>	
Mr. P.W.S. Rowland	200	200

Apart from those disclosed above no Director of the Company held any interest at 1st July, 1974, or date of appointment if later, or 30th June, 1975 in the stock or shares of United Dominions Trust Limited or in the shares or debentures of any of that company's subsidiaries.

On behalf of the Board

P.W.S. Rowland

Chairman

20th August, 1975.

UNITED DOMINIONS LEASING LIMITED

BALANCE SHEET

		<u>1974</u>	
<u>SHARE CAPITAL</u>			<u>FIXED ASSETS</u>
Authorised, issued and fully paid 100 shares of £1 each	100	100	At cost
			<u>Less: Depreciation</u>
<u>REVENUE RESERVE</u>			<u>CURRENT ASSETS</u>
Profit and loss account	4,854	25,564	Sundry debtors
	4,954	25,664	Balance in hand
<u>DEFERRED TAXATION</u>	2,852,329	1,791,777	Immediate term deposits
<u>BALANCE IN ACCOUNT WITH GROUP HOLDING COMPANY</u>	10,703,996	15,325,157	Balance with fellow subsidiaries
<u>CURRENT LIABILITIES</u>			
Sundry creditors	134,469	59,277	
Balance in account with fellow subsidiaries	<u>125,000</u>	<u>577,000</u>	
	259,469	636,277	
	<u>£13,820,748</u>	<u>£17,778,875</u>	

AUDITORS' REPORT TO THE MEMBERS OF UNITED DOMINIONS

In our opinion the above balance sheet and annexed profit and loss account and notes give a true and fair view of the state of affairs of the Company at the end of the year ended 30th June, 1975 and of its loss for the year then ended and comply with the Companies Acts, 1947 and 1967.

3 Frederick's Place,
Old Jewry,
London, EC2R 8DB.

20th August, 1975.

PRICE WATERHOUSE & CO.
Chartered Accountants.

UNITED DOMINIONS LEASING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH JUNE, 1975

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

(374,905)

(279,089)

TAXATION (Note 5)

Deferred taxation
release 2,139,448
Group relief payment (1,902,000)
237,448

875,834
(577,000)
298,834

Adjustments in respect
of prior years:

Cancellation of
group relief
payments 120,000
Other (3,253)
116,747

(17,834)

354,195

281,000

(LOSS) (1974 PROFIT) FOR
THE YEAR AFTER TAXATION

(20,710)

1,911

BALANCE BROUGHT FORWARD

25,564

23,653

BALANCE CARRIED FORWARD

£ 4,854

£ 25,564

UNITED DOMINIONS LEASING LIMITED

NOTES TO THE ACCOUNTS

30TH JUNE, 1975

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

Amounts are set aside under the deferral method for the equalisation of capital allowances in respect of equipment on lease.

2. TURNOVER

The turnover of the company represented the aggregate amount of leasing rents receivable and amounted to £7,370,577 (1974 £8,125,522).

3. LOSS FOR THE YEAR

The loss for the year before taxation was arrived at after charging the following items:-

		<u>1974</u>
Depreciation	<u>£6,115,723</u>	<u>£6,710,694</u>
Auditors' remuneration	<u>£1,500</u>	<u>£1,100</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.

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UNITED DOMINIONS LEASING LIMITED

NOTES TO THE ACCOUNTS (Continued)

30th JUNE, 1975

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 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 £1,902,000 have been made in respect of the losses surrendered.

The corporation tax liability of the group for prior years has been amended and group relief payments of £120,000 have been cancelled.

6. FIXED ASSETS

<u>Equipment on lease</u>	<u>Cost less Government Grants Receivable</u>	<u>Depre- ciation</u>	<u>Net Book Amount</u>
Balances at 1st July, 1974	38,154,195	21,932,252	16,221,943
<u>Add:</u> Purchases	3,770,207	-	3,770,207
	41,924,402	21,932,252	19,992,150
<u>Less:</u> Sales	5,947,775	4,936,204	1,011,571
	35,976,627	16,996,048	18,980,579
Depreciation for the year	-	6,115,723	6,115,723
Balances at 30th June, 1975.	<u>£ 35,976,627</u>	<u>£ 23,111,771</u>	<u>£12,864,856</u>

7. CAPITAL EXPENDITURE

1974

Aggregate of commitments to purchase equipment for leasing contracted for but not provided for in these accounts. £107,983 £208,142

Aggregate of commitments to purchase equipment for leasing authorised but not yet contracted for - £ 35,301

UNITED DOMINIONS LEASING LIMITED

NOTES TO THE ACCOUNTS (Continued)

30TH JUNE, 1975

8. ULTIMATE HOLDING COMPANY

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