

**REGISTRAR OF
COMPANIES**

2951586

British Credit Trust Collections Limited

Report and Financial Statements

Year Ended

31 March 1998



BDO

BDO Stoy Hayward
Chartered Accountants

BRITISH CREDIT TRUST COLLECTIONS LIMITED

Annual report and financial statements for the year ended 31 March 1998

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Directors

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Directors

Dr R J Gewolb
R Takhar
J Quinlan
S Atkinson

Secretary and registered office

Bloomsbury Registrars Limited, 8 Coldbath Square, Rosebery Avenue, London, EC1R 5HL.

Company number

2951586

Auditors

BDO Stoy Hayward, 8 Baker Street, London, W1M 1DA.

BRITISH CREDIT TRUST COLLECTIONS LIMITED

Report of the directors for the year ended 31 March 1998

The directors present their report together with the audited financial statements for the year ended 31 March 1998.

Results and dividends

The profit and loss account is set out on page 4 and shows the result for the year.

The directors do not recommend payment of an ordinary dividend (1997 - Nil).

Principal activities, trading review and future developments

The principal activity of the company in the year was that of debt collection services.

On 4 September 1998, Consumer Finance Acquisitions Co Limited acquired a 100% interest in British Credit Trust Holdings Limited. During the period British Credit Trust Holdings Limited was the company's immediate parent.

Year 2000

The director is currently reviewing the company's operating systems to assess the risks to its business in relation to Year 2000 compliance. From this review a prioritised action plan will be developed and implemented. Whilst it is not possible to guarantee that no Year 2000 problems will remain, the board believe that it will achieve an acceptable state of readiness to deal promptly with significant issues that might arise. Costs of the review, which are not expected to be significant, are to be written off to the profit and loss accounts as they are incurred.

Directors

The directors of the company during the year were:

Dr R J Gewolb	
M B A Lorimer	(resigned 4 September 1998)
A C Surtees	(resigned 4 September 1998)
R Takhar	(appointed 8 October 1998)
J Quinlan	(appointed 11 September 1998)
S Atkinson	(appointed 8 October 1998)

The directors have no interests in the share capital of the company. R J Gewolb, A C Surtees and M B A Lorimer are directors of the holding company and their interests in the shares of the holding company are shown in that company's financial statements.

BRITISH CREDIT TRUST COLLECTIONS LIMITED

Report of the directors for the year ended 31 March 1998 (*Continued*)

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 of the company 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;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

BDO Stoy Hayward, who were appointed by the directors, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board



Dr R J Gewirtz

Director

Date

26.5.98

BRITISH CREDIT TRUST COLLECTIONS LIMITED

Report of the auditors

To the shareholders of British Credit Trust Collections Limited

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the 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 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 the company's affairs as at 31 March 1998 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD
*Chartered Accountants
and Registered Auditors*
London

26 May 1999

BRITISH CREDIT TRUST COLLECTIONS LIMITED**Profit and loss account for the year ended 31 March 1998**

	Note	1998 £	1997 £
Turnover	2	96,000	46,000
Cost of sales		(37,644)	(50,044)
		<hr/>	<hr/>
Gross profit/(loss)		58,356	(4,044)
Administrative expenses		(103,496)	(32,282)
		<hr/>	<hr/>
Loss on ordinary activities before taxation	3	(45,140)	(36,326)
Tax on loss on ordinary activities	5	-	-
		<hr/>	<hr/>
Loss on ordinary activities after taxation	10	(45,140)	(36,326)
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

There are no movements on shareholders' funds apart from the result for the year.

The notes on pages 6 to 8 form part of these financial statements.

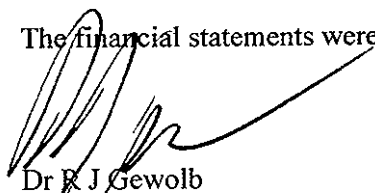
BRITISH CREDIT TRUST COLLECTIONS LIMITED

Balance sheet at 31 March 1998

	Note	1998	1997
		£	£
Current assets			
Debtors	7	169	25,498
Cash at bank and in hand		8,671	11,361
		<u>8,840</u>	<u>36,859</u>
Creditors: amounts falling due within one year	8	(90,587)	(73,466)
		<u>(81,747)</u>	<u>(36,607)</u>
Total assets less current liabilities			
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	(81,749)	(36,609)
		<u>(81,747)</u>	<u>(36,607)</u>
Shareholders' funds - equity	11		
		<u>(81,747)</u>	<u>(36,607)</u>

The financial statements were approved by the Board on

26.5.98


Dr R J Gewolb
Director

The notes on pages 6 to 8 form part of these financial statements.

BRITISH CREDIT TRUST COLLECTIONS LIMITED

Notes forming part of the financial statements for the year ended 31 March 1998

1 Accounting policies

The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from the requirement to produce a cashflow statement on the grounds that it is a wholly owned subsidiary of a parent company which itself publishes a consolidated cashflow.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

2 Turnover

	1998 £	1997 £
Class of business		
Consultancy services	96,000	46,000
	<u> </u>	<u> </u>

3 Operating loss

This has been arrived at after charging:

Auditors' remuneration	3,000	1,000
	<u> </u>	<u> </u>

4 Employees

Staff costs consist of:

Wages and salaries	83,951	23,370
Social security costs	7,711	2,055
	<u> </u>	<u> </u>
	91,662	25,425
	<u> </u>	<u> </u>

The average monthly number of employees (including directors) during the year was:

	Number	Number
Litigation staff	2	2
	<u> </u>	<u> </u>

BRITISH CREDIT TRUST COLLECTIONS LIMITED

Notes forming part of the financial statements for the year ended 31 March 1998 (*Continued*)

5 Directors

Directors did not receive remuneration during the year (1997 - Nil).

6 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

7 Debtors

	1998 £	1997 £
Amounts owed by parent and fellow subsidiary undertakings	-	23,805
Other debtors	169	1,693
	<u>169</u>	<u>25,498</u>

8 Creditors: amounts falling due within one year

Amounts owed to parent and fellow subsidiary undertakings	85,953	54,620
Other creditors	-	14,000
Accruals and deferred income	4,634	4,846
	<u>90,587</u>	<u>73,466</u>

9 Share capital

<i>Authorised</i>		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

BRITISH CREDIT TRUST COLLECTIONS LIMITED

Notes forming part of the financial statements for the year ended 31 March 1998 *(Continued)*

10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 1997	(36,609)
Retained loss for the year	(45,140)
	<hr/>
Balance at 31 March 1998	(81,749)
	<hr/>

11 Reconciliation of movements in shareholders' funds

	1998 £	1997 £
Loss for the financial year	(45,140)	(36,326)
Opening shareholders' funds	(36,607)	(281)
	<hr/>	<hr/>
Closing shareholders' funds	(81,747)	(36,607)
	<hr/>	<hr/>

12 Parent company

The company's ultimate parent in the period was British Credit Trust Holdings Limited, registered in England and Wales. A copy of that company's financial statements can be obtained from its registered office.

Following the acquisition of British Credit Trust Holdings Limited, which took place on 4 September 1998, Consumer Finance Acquisitions Co Limited became the ultimate parent company. The parent of the largest and smallest UK group of which the company is now a member and for which financial statements are prepared is Consumer Finance Acquisitions Co Limited.