

**COMPANY NUMBER 4213113**

**ALPHA LEASING (No.4) LIMITED**

**Annual Report**  
**for the Year Ended 31 December 2004**

**Directors on**  
**21<sup>st</sup> March 2005:** M R H Arundell  
M A Garrett  
N T Goldsworthy  
H I Wilson

**Secretaries:** C H Jackson  
D J Goma

Registered Office: 65 Buckingham Gate, London SW1E 6AT



## REPORT OF THE DIRECTORS

The Directors present their Annual Report and the audited financial statements for the year ended 31 December 2004.

## DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

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 its 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;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

The Directors are responsible for maintaining 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 fraud and other irregularities.

## REVIEW OF THE BUSINESS

The principal business of the Company is as a holding company.

## FINANCIAL REVIEW

### Results

The Company had no income or expense during the year other than dividends receivable.

### Payment of Dividend

In 2004 the Directors declared an interim dividend of US\$10,000 per ordinary share (2003: Nil). They do not recommend the payment of any further dividend. The total cost of dividends for 2004 is US\$1,000,000 (2003: Nil).

## DIRECTORATE

The Directors who held office through the year were as follows:

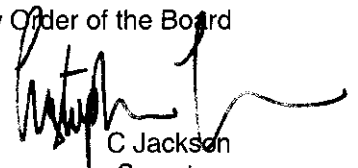
### Director

M R H Arundell	
M A Garrett	(appointed 8 November 2004)
N T Goldsworthy	(appointed 8 November 2004)
H I Wilson	

## DIRECTORS' INTERESTS

None of the Directors, or their immediate family, had any beneficial interest in the shares of the Company during the year.

By Order of the Board

A handwritten signature in black ink, appearing to read 'C Jackson', is written over the printed name.

C Jackson  
Secretary

21<sup>st</sup> March 2005

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALPHA LEASING (No.4) LIMITED**

We have audited the Financial Statements on pages 5 to 8.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective Responsibilities of Directors and Auditors**

The directors are responsible for preparing the Report of the Directors 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 Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors 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 Audit 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.

### **Audit Opinion**

In our opinion the Financial Statements give a true and fair view of the state of affairs of the Company as at 31 December 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc  
Chartered Accountants  
Registered Auditor

London  
21st March 2005

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2004**

	Notes	<u>2004 US\$</u>	<u>2003 US\$</u>
Dividends receivable		1,000,000	-
Dividends payable	4	<u>(1,000,000)</u>	<u>-</u>
<b>Transferred to reserves</b>		<u>-</u>	<u>-</u>

The notes on pages 7 to 8 form part of these Financial Statements.

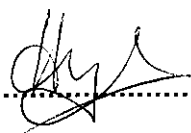
The Company had no recognised gains or losses other than those recorded in the profit and loss account in either 2003 or 2004.

All results have been derived from continuing activities.

# **BALANCE SHEET** **AT 31 DECEMBER 2004**

	Notes	2004 US\$	2003 US\$
<b>Fixed assets</b>			
Investment in subsidiary undertaking	5	100	100
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	100	100
<b>Creditors: amounts falling due within one year</b>	7	(100)	(100)
<b>Net current assets</b>		-	-
<b>Net assets</b>		100	100
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Equity shareholder's funds		100	100

The Financial Statements were approved by the Board of Directors on 21st March 2005 and were signed on its behalf by:


  
 ..... **Hylda Wilson**  
**Director**

The notes on pages 7 to 8 form part of these Financial Statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

### 1. ACCOUNTING POLICIES

#### Basis of Accounting

The Financial Statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The Company is exempt from the requirement of Financial Reporting Standard No.1 to prepare a cash flow statement as it is a wholly-owned subsidiary undertaking of Alpha Partners Leasing Limited and its cash flows are included within the consolidated cash flow statement of that company.

Under FRS8 the Company is exempt from the requirement to disclose related party transactions with the Alpha Partners Leasing Group and its joint venture undertakings on the grounds that it is a wholly-owned subsidiary undertaking of Alpha Partners Leasing Limited.

### 2. EMOLUMENTS OF DIRECTORS

The Company paid no emoluments to the Directors in respect of their services during the year.

### 3. EMPLOYEE INFORMATION

The Company did not have any employees during the year.

### 4. DIVIDENDS – Ordinary Shares

	2004 US\$	2003 US\$
Interim dividend per share US\$10,000 (2003: Nil)	1,000,000	-

### 5. INVESTMENTS – Subsidiary Undertakings

	2004 US\$	2003 US\$
Shares at cost	100	100

### 6. DEBTORS – Amounts Falling Due Within One Year

	2004 US\$	2003 US\$
Amounts owed by holding company	100	100

### 7. CREDITORS – Amounts Falling Due Within One Year

	2004 US\$	2003 US\$
Amounts owed to subsidiary undertaking	100	100

**NOTES (continued)****8. SHARE CAPITAL**

	<u>2004 US\$</u>	<u>2003 US\$</u>
<b>Authorised</b>		
US\$1 ordinary shares	100	100
<b>Issued</b>		
US\$1 ordinary shares	100	100

**9. ULTIMATE HOLDING COMPANIES**

Rolls-Royce Group plc, a company registered in England and Wales, and GATX Corporation, a company registered in the United States, are the joint ultimate holding companies. Copies of Rolls-Royce Group plc's consolidated Financial Statements can be obtained from 65 Buckingham Gate, London SW1E 6AT and those of GATX Corporation from 500 West Monroe, Chicago, IL60661-3676, Illinois, USA.

Alpha Partners Leasing Limited, a company registered in England and Wales, is the immediate holding company and heads the smallest and largest group in which the results of the Company are consolidated. Copies of its consolidated Financial Statements can be obtained from 65 Buckingham Gate, London SW1E 6AT.

**10. SUBSIDIARY UNDERTAKINGS  
AS AT 31 DECEMBER 2004**

<u>NAME</u>	<u>COUNTRY OF CORPORATION</u>	<u>BUSINESS</u>	<u>INTEREST IN ORDINARY SHARES %</u>
Omega Leasing (No.4) Limited	England	Leasing of engines	100

**11. CONTINGENT LIABILITIES**

The Company provides guarantees in respect of the obligations of its subsidiary undertaking of US\$42 million (2003: US\$46 million). The Company provides guarantees in respect of related parties of US\$60 million (2003: US\$62 million). The related parties guarantee the obligations of the Company and its subsidiary on a reciprocal basis.