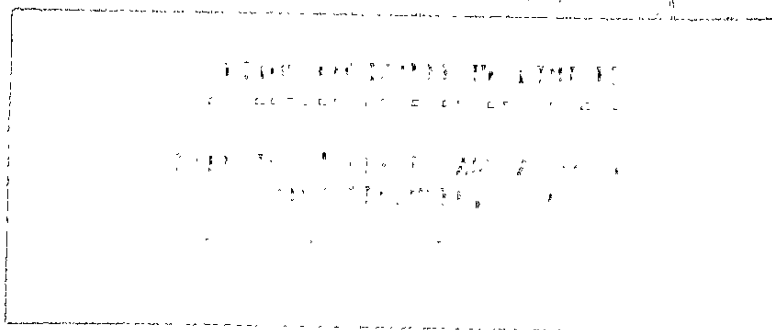


Peat Marwick McLintock



1997

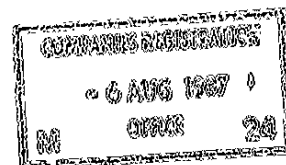
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TRITON CONTAINER UK LIMITED

DIRECTORS' REPORT AND ACCOUNTS
31ST DECEMBER, 1986

PEAT MARWICK McLINTOCK

7-11 Station Road,
Reading,
Berkshire.
RG1 1LG



TRITON CONTAINER UK LIMITED

**REPORT OF THE DIRECTORS
FOR THE PERIOD ENDED 31ST DECEMBER, 1986**

The Directors present their annual report and the audited accounts for the period from incorporation on 12th June, 1986 to 31st December, 1986.

PRINCIPAL ACTIVITY

The principal activity of the company is operating in the UK and Eire as an agent of Triton Container International Limited, a corporation registered in Bermuda with whom Triton Container UK Limited have a licence agreement.

BUSINESS REVIEW

The company's trading results for the period are set out in the attached accounts. The Directors continue to view the future with optimism.

DIVIDEND

The Directors do not recommend payment of a dividend.

FIXED ASSETS

During the period the lease of office premises has been acquired together with the necessary fixtures, fittings and equipment. Details are provided in note 7 to the accounts.

DIRECTORS

The Directors who have served during the period together with their interests are as follows:

	<u>Date of appointment</u>	<u>Ordinary Shares of £1 each</u>	
		<u>31st December, 1986</u>	<u>10th July, 1986</u>
W. Pabst (German)	10th July, 1986	1	1
A.G. Player (U.S.A.)	10th July, 1986	-	-
M.J. Cook (British)	10th July, 1986	-	-
M.R. Bennett (British)	10th July, 1986	-	-

AUDITORS

During the period, Peat, Marwick, Mitchell & Co. were appointed as auditors of the company. They are now practising under the name of Peat Marwick McLintock and accordingly they have signed the audit report in their new name. A resolution concerning their re-appointment as auditors will be proposed at the forthcoming annual general meeting.

By order of the Board

Secretary

15 Station Road,
Reading.
RG1 1LG

TRITON CONTAINER UK LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF
TRITON CONTAINER UK LIMITED

We have audited the accounts on pages 3 to 10 in accordance with approved Auditing Standards.

In our opinion the accounts, which have been prepared on the basis of the accounting policies set out on page 6, give a true and fair view of the state of the company's affairs at 31st December, 1986 and of its profit and source and application of funds for the period from incorporation on 12th June, 1986 to that date and have been properly prepared in accordance with the Companies Act 1985.

READING

30th June 1987

Paul Marshall Munnick

Chartered Accountants

TRITON CONTAINER UK LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD
FROM INCORPORATION ON 12TH JUNE, 1986
TO 31ST DECEMBER, 1986

	Note	1986 £
TURNOVER	1	86,902
Cost of Sales		—
GROSS PROFIT		86,902
Administrative expenses		(81,516)
Interest payable	2	(13)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	5,373
Tax on profit on ordinary activities	5	(1,500)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		3,873
Retained profit brought forward		—
RETAINED PROFIT CARRIED FORWARD		3,873

The notes on pages 6 to 10 form part of these accounts.

TRITON CONTAINER UK LIMITED

BALANCE SHEET AT 31ST DECEMBER, 1986

	<u>Note</u>	<u>£</u>	<u>1986</u>	<u>£</u>
FIXED ASSETS				
Intangible assets	6	608		
Tangible assets	7	35,168		
				35,776
CURRENT ASSETS				
Debtors	8	90,794		
Cash at bank and in hand		50		
		90,844		
PREPAYMENTS AND ACCRUED INCOME		8,270		
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(125,826)		
NET CURRENT LIABILITIES				(26,712)
TOTAL ASSETS LESS CURRENT LIABILITIES				9,064
PROVISIONS FOR LIABILITIES AND CHARGES	10			-
ACCRUALS AND DEFERRED INCOME				(3,191)
NET ASSETS				5,873
CAPITAL AND RESERVES				
Called up share capital	11			2,000
Profit and loss account				3,873
				5,873

These accounts were approved by the board
of Directors on

M. J. Allen 30/6/87,
Paul W. Allen 30/6/87 } Directors

The notes on pages 6 to 10 form part of these accounts.

TRITON CONTAINER UK LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE PERIOD FROM INCORPORATION ON
12TH JUNE, 1986 TO 31ST DECEMBER, 1986

	<u>1986</u>
	<u>£</u>
SOURCE OF FUNDS	
Profit on ordinary activities before taxation	5,373
Adjustments for items not involving the movement of funds:	
Depreciation and amortisation	2,523
FUNDS GENERATED FROM OPERATIONS	7,896
FUNDS FROM OTHER SOURCES	
Issue of shares	2,000
	9,896
APPLICATION OF FUNDS	
Purchase of fixed assets	(38,299)
DECREASE IN WORKING CAPITAL	(28,403)
COMPONENTS OF INCREASE [DECREASE] IN WORKING CAPITAL	
Debtors	99,064
Creditors falling due within one year	(103,945)
Movement in net liquid funds:	
Cash at bank and in hand	(13,522)
	(28,403)

The notes on pages 6 to 10 form part of these accounts.

TRITON CONTAINER UK LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Basis of preparation

The accounts have been prepared under the historical cost convention.

(b) Fixed Assets

All fixed assets are depreciated at a rate of 20% per annum on a straight line basis.

(c) Foreign currency translation

Transactions denominated in foreign currencies have been recorded at the rate of exchange ruling at the date of the transaction.

(d) Turnover

Turnover represents amounts receivable from Triton Container International Limited in respect of services rendered under the licence agreement.

(e) Deferred taxation

Deferred taxation is provided using the liability method on all timing differences, to the extent that these differences are expected to reverse in the foreseeable future.

2. INTEREST PAYABLE

On bank loans, overdrafts and other
loans wholly repayable within
five years

1986
£
000

13

000

3. STAFF NUMBERS AND COSTS

The average number of persons employed by the company (including Directors) during the period was 6.

Aggregate payroll costs are as follows:

Salaries
Social security costs

1986
£
000

26,162
3,007

29,169
00000

TRITON CONTAINER UK LIMITED

NOTES TO THE ACCOUNTS

(continued)

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

(a) The profit on ordinary activities before taxation is stated after charging the following:

	<u>1986</u>
	<u>£</u>
Depreciation and other amounts written off tangible and intangible fixed assets	2,523
Auditors' remuneration and expenses	1,000

(b) Directors' remuneration

Chairman	NIL
Highest paid Director	9,000
Other Directors	
£0 - £5,000	1
£5,001 - £10,000	1

5. TAXATION

	<u>1986</u>
	<u>£</u>
Corporation tax at 29% on profits for the period	1,500

6. INTANGIBLE FIXED ASSETS

	<u>Cost incurred in formation of company</u>
	<u>£</u>
Additions	663
Cost at 31st December, 1986	663
Depreciation: Charge for the period	55
Depreciation at 31st December, 1986	55
Net book value at 31st December, 1986	608

TRITON CONTAINER UK LIMITED

NOTES TO THE ACCOUNTS

(continued)

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

(a) The profit on ordinary activities before taxation is stated after charging the following:

	<u>1986</u> <u>£</u>
Depreciation and other amounts written off tangible and intangible fixed assets	2,523
Auditors' remuneration and expenses	<u>1,000</u>

(b) Directors' remuneration

Chairman	NIL
Highest paid Director	9,000
Other Directors	
£0 - £5,000	1
£5,001 - £10,000	1

5. TAXATION

	<u>1986</u> <u>£</u>
Corporation tax at 29% on profits for the period	<u>1,500</u>

6. INTANGIBLE FIXED ASSETS

Cost incurred in
formation of company

	<u>£</u>
Additions	663
Cost at 31st December, 1986	<u>663</u>
Depreciation: Charge for the period	55
Depreciation at 31st December, 1986	<u>55</u>
Net book value at 31st December, 1986	<u>608</u>

TRITON CONTAINER UK LIMITED

NOTES TO THE ACCOUNTS

(continued)

7. TANGIBLE FIXED ASSETS

	<u>Short leasehold</u>	<u>Plant and machinery</u>	<u>Fixtures and fittings</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Additions	7,683	27,958	1,995	37,636
Cost at 31st December, 1986	7,683	27,958	1,995	37,636
Depreciation: charge for the period	530	1,776	162	2,468
Depreciation at 31st December, 1986	530	1,776	162	2,468
Net book value at 31st December, 1986	7,153	26,182	1,833	35,168

There were no capital commitments at 31st December, 1986.

8. DEBTORS

	<u>1986</u>
	<u>£</u>
Amount owed by holding company	86,902
Other debtors	3,892
	<u>90,794</u>

TRITON CONTAINER UK LIMITED

NOTES TO THE ACCOUNTS

(continued)

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1986</u> <u>£</u>
Bank overdraft	13,572
Amount owed to Holding Company	110,754
Corporation tax on profit for the period	1,500
	<u>125,826</u>

10. PROVISIONS FOR LIABILITIES AND CHARGES

The amounts provided and not provided for deferred taxation are as follows:

	<u>Provided</u> <u>£</u>	<u>1986</u> <u>Unprovided</u> <u>£</u>
On difference between accumulated depreciation and amortisation and capital allowances	-	570

11. SHARE CAPITAL

	<u>1986</u> <u>£</u>
£1 ordinary shares:	
Authorised	2,000
Issued and fully paid	2,000

All the above shares were allotted in the period since incorporation for the consideration of £2,000.

TRITON CONTAINER UK LIMITED

NOTES TO THE ACCOUNTS
(continued)

12. ULTIMATE HOLDING COMPANY

The ultimate holding company is Triton Container International Limited, incorporated in Bermuda.