

AUTOLEASE FLEETS LIMITED

COMPANIES HOUSE
REPORT AND FINANCIAL STATEMENTS
18 NOV 1991
M 31st December 1990

Registered number 632485

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AUTOLEASE FLEETS LIMITED

DIRECTORS' REPORT

31st December 1990

The directors present their annual report and the audited financial statements of the company for the year ended 31st December 1990.

Results and dividends

The profit for the year after taxation amounted to £251,167. It is recommended that no dividend be paid and the retained profit of £251,167 be transferred to reserves.

Review of business

The principal activities of the company continue to be that of fleet distributors of motor vehicles.

The turnover for the year at £101,422,264 was 13.2% lower than the previous year and the trading profit of £336,929 compared to a profit of £251,391 in the previous year. Profit on ordinary activities before taxation amounted to £432,167 compared with a profit of £328,656 in the previous year. There was a taxation charge for the year amounting to £181,000.

The directors consider the state of affairs of the company to be satisfactory.

Directors

The following who served throughout the year were directors of the company at 31st December 1990

Mr. T.C. Cannon)Directors of B.S.G. International plc
Mr. J.B. Tustain)
Mr. T.J. Jones
Mr. A. Guest
Mr. J. Haynes

In accordance with the Articles of Association, none of the directors retire.

Directors' shareholdings

None of the directors have any beneficial interest in the share capital of the company.

The directors of the parent undertaking disclose their interests in the shares of B.S.G. International plc in the financial statements of that company.

The interests of Mr. T.J. Jones in the shares of B.S.G. International plc are

	31st December 1990 Ordinary shares of 10p each	31st December 1989 Ordinary shares of 10p each
Beneficial shareholding	Nil	Nil
Options held under the B.S.G. International plc Executive Share Option Scheme 1985	100,000	100,000

AUTOLEASE FLEETS LIMITED

DIRECTORS' REPORT

31st December 1990
(continued)

Fixed assets

The movements in fixed assets during the year are set out in the notes to the financial statements.

Close company provisions

The company is not a close company within the meaning of the Income and Corporation Taxes Act 1988.

Auditors

Kidsons Impey, successors to Kidsons, have agreed to offer themselves for re-election as auditors of the company.

Registered Office

P.O. Box 1234
Burgess House
1270 Coventry Road
Yardley
Birmingham B25 8JD

By Order *[Signature]* of the Board

R. Thorne

for B.S.G. Secretarial Services Limited

Secretary

14th March 1991

AUTOLEASE FLEETS LIMITED

AUDITORS' REPORT

Auditors' report to the members of Autolease Fleets Limited

We have audited the financial statements on pages 4 to 10 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December 1990 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Without qualifying our opinion above, we draw attention to the fact that the financial statements do not show the manner in which the operations of the company have been financed, or in which its financial resources have been used during the year, as required by Statement of Standard Accounting Practice No. 10. Such information is of little value as a result of the parent undertaking's financial structuring of its subsidiary undertakings.

Kidsons Impey.

Kidsons Impey

Chartered Accountants

Birmingham

14th March 1991

AUTOLEASE FLEETS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1990

	Note	1990 £	1989 £
Turnover	2	101,422,264	116,802,333
Cost of sales		<u>(98,406,232)</u>	<u>(113,412,355)</u>
Gross profit		3,016,032	3,389,978
Distribution costs		(1,908,505)	(2,731,931)
Administrative expenses		<u>(770,598)</u>	<u>(406,656)</u>
Trading profit	3	336,929	251,391
Interest receivable	4	1,971,408	1,692,756
Interest payable	5	<u>(1,876,170)</u>	<u>(1,615,491)</u>
Profit on ordinary activities before taxation		432,167	328,656
Taxation charge	7	<u>(181,000)</u>	<u>(98,512)</u>
Retained profit for the year	14	<u>251,167</u>	<u>230,144</u>

AUTOLEASE FLEETS LIMITED

BALANCE SHEET

at 31st December 1990

	Note	1990	1989
		£	£
Fixed assets			
Tangible assets	8	-	-
Current assets			
Stocks	9	4,699,108	3,744,988
Debtors	10	17,160,078	16,317,265
Cash		<u>4,870</u>	<u>6,633</u>
		21,864,056	20,068,886
Creditors: amounts falling due within one year	11	(<u>20,789,617</u>)	(<u>19,275,114</u>)
Net current assets		<u>1,074,439</u>	<u>793,772</u>
Total assets less current liabilities		1,074,439	793,772
Provisions for liabilities and charges	12	<u>(29,500)</u>	<u>-</u>
		<u>1,044,939</u>	<u>793,772</u>
Capital and reserves			
Called up share capital	13	3	3
Profit and loss account	14	<u>1,044,936</u>	<u>793,769</u>
		<u>1,044,939</u>	<u>793,772</u>

The financial statements on pages 4 to 10 were approved by the board of directors on 14th March 1991

T.C. Cannon - Director

AUTOLEASE FLEETS LIMITED
NOTES ON FINANCIAL STATEMENTS

31st December 1990

1 Accounting policies

Basis of accounting

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

Depreciation

Depreciation is calculated on cost on a straight line basis to write off the relevant assets over their expected useful lives. The principal annual rates used are as follows:

Plant, machinery and equipment	%
	10

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is calculated on the liability method in respect of timing differences between profits as stated in the financial statements and as computed for tax purposes. Where it can be shown with reasonable probability that no such liability will become payable in the foreseeable future no provision is made.

Leases

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

Pensions

The parent undertaking operates a number of defined benefit pension schemes for its employees. All the schemes are funded; liabilities are provided on a systematic basis over the period of employment of scheme members. Variations disclosed by actuarial valuations are spread over the average remaining service lives of current scheme members.

2 Turnover

Turnover represents the invoiced value excluding value added tax of goods sold.

The turnover and profit before taxation is attributable to the principal activity of the company, being the fleet distribution of motor vehicles.

Turnover relates wholly to the United Kingdom.

3 Trading profit

	1990	1989
Trading profit is stated after charging	£	£
Auditors' remuneration	14,400	11,710
Hire of plant and vehicles	74,249	49,774
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AUTOLEASE FLEETS LIMITED
NOTES ON FINANCIAL STATEMENTS

31st December 1990
(continued)

4	Interest receivable	1990 £	1989 £
	Bank interest	1,971,408	1,692,756
		<u> </u>	<u> </u>
5	Interest payable		
	Bank interest	3,332	7,372
	Group company	1,872,838	1,608,119
		1,876,170	1,615,491
		<u> </u>	<u> </u>
6	Directors and employees		
	Staff costs		
	Wages and salaries	599,891	801,993
	Social security costs	59,989	80,199
	Pension costs	4,655	2,524
		664,535	884,716
		<u> </u>	<u> </u>
	No staff are directly employed by Autolease Fleets Limited. These costs represent a recharge from group companies.		
7	Taxation	1990 £	1989 £
	The taxation charges comprises		
	Corporation tax on profit on ordinary activities at 35% (1989 35%)	151,500	108,000
	Deferred taxation	29,500	-
	Prior year adjustment		
	-Corporation tax	-	350
	-Group relief	-	9,838
		181,000	98,512
		<u> </u>	<u> </u>

AUTOLEASE FLEETS LIMITED
NOTES ON FINANCIAL STATEMENTS

31st December 1990
(continued)

8	Tangible assets	Plant, machinery and equipment £	
	Cost		
	1st January 1990 and 31st December 1990		8,890
	Depreciation		
	1st January 1990 and 31st December 1990		8,890
	Net book value		
	31st December 1989 and 31st December 1990		-
9	Stocks	1990 £	1989 £
	Vehicle and accessory stock	4,699,108	3,744,988
10	Debtors		
	Amounts falling due within one year		
	Trade debtors	2,174,627	3,283,861
	Amount owed by parent undertaking	14,779,501	12,745,696
	Amounts owed by fellow subsidiaries	77,200	70,025
	Group relief	-	103,838
	Prepayments and accrued income	128,750	113,845
		17,160,078	16,317,265
11	Creditors: amounts falling due within one year		
	Trade creditors	5,145,636	4,798,896
	Amounts owed to fellow subsidiaries	15,243,044	14,154,222
	Corporation tax	242,000	108,000
	Other taxation and social security	95,629	99,232
	Accruals	63,308	114,764
		20,789,617	19,275,114

AUTOLEASE FLEETS LIMITED
NOTES ON FINANCIAL STATEMENTS

31st December 1990
(continued)

12 Provision for liabilities and charges

Deferred tax

The deferred tax liability at 31st December 1990 arising on timing differences, calculated on the liability method at 35% is as follows

	1990 £	1989 £
Other timing differences	29,500	-

The potential deferred tax liability not provided at 31st December 1990 in respect of other timing differences, calculated on the liability method at 35% is £Nil (1989 £27,000).

13 Called up share capital (1990 and 1989)

	Authorised £	Issued and fully paid £
Ordinary shares of £1 each	3,000	3

14 Profit and loss account

	£
Balance 1st January 1990	793,769
Retained profit for the year	<u>251,167</u>
Balance 31st December 1990	<u>1,044,936</u>

15 Transactions involving directors

Directors' interest in contracts

No director has had any beneficial interest in any material contract to which the company was a party.

16 Capital commitments

Capital expenditure authorised up to 31st December, 1990 but not provided in these financial statements amounted to £225,000 (1989 £217,000).

17 Contingent liabilities

The company has given a joint and several guarantee in respect of the parent undertaking's indebtedness to Barclays Bank PLC.

AUTOLEASE FLEETS LIMITED
NOTES ON FINANCIAL STATEMENTS

31st December 1990
(continued)

18 Pensions

Pension costs have been assessed in accordance with advice received from the actuary to the schemes on the basis of reviews carried out for the purpose of Statement of Standard Accounting Practice No. 24 as at 6th December 1990. Pension costs were assessed using the projected unit actuarial costing method based on assumptions including a long term rate of investment return on assets of 9% per annum, a general rate of increase in members' earnings 2% less than this figure, pension increases in accordance with the scheme rules and appropriate allowances for mortality, members leaving service and early retirements.

Actuarial valuations of all schemes are carried out triennially and full details of the valuation at 31st March 1989 appear in the published financial statements of the parent undertaking.

19 Ultimate parent undertaking

The company is a direct subsidiary of B.S.G. International plc, a company incorporated in England.