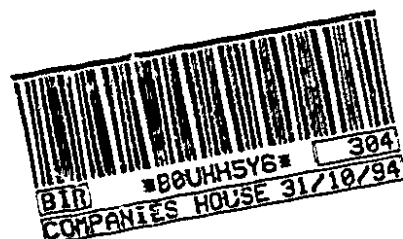


**AUTOLEASE FLEETS LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**

31 December 1993

Registered number 632485

KIDSON'S IMPLY



# **AUTOLEASE FLEETS LIMITED**

## **DIRECTORS' REPORT**

**31 December 1993**

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 1993.

### **Results and dividends**

The profit for the year after taxation amounted to £97,795. It is recommended that no dividend be paid and that the profit of £97,795 be transferred to reserves.

### **Review of business**

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

The turnover for the year at £74,243,814 was 1% higher than the previous year. The profit on ordinary activities before taxation amounted to £142,795 compared with a profit of £110,361 in the previous year.

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

### **Fixed assets**

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

### **Directors**

The following were directors of the company at 31 December 1993

R.E.C. Marton ) Directors of B.S.G.  
J.B. Tustain ) International plc  
A. Guest  
J. Haynes  
T.J. Jones

Mr. R.E.C. Marton was appointed as a director of the company on 1 August 1993.

Mr. T.C. Cannon resigned as a director of the company on 10 May 1993.

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 share capital of B.S.G. International plc in the financial statements of that company. None of the other directors have any beneficial interest in the share capital of B.S.G. International plc.

# AUTOLEASE FLEETS LIMITED

## DIRECTORS' REPORT

31 December 1993  
(continued)

### Directors' shareholdings (continued)

The directors holding options under the share option schemes of B.S.G. International plc (other than the directors of the parent undertaking) are as follows

	31 December 1993 Ordinary shares of 10p each	31 December 1992 Ordinary shares of 10p each
Options held under the B.S.G. International plc Executive Share Option Scheme 1985		
T.J. Jones	103,940	100,000
Options held under the B.S.G. International plc Savings Related Share Option Scheme 1988		
A. Guest	30,157	-
T.J. Jones	39,262	26,162

### Share capital

On 1 July 1993 the authorised share capital of the company was increased by 247,000 ordinary shares of £1 each. On the same date 249,997 ordinary shares of £1 ranking pari passu with those shares already in issue were issued as fully paid by capitalising existing reserves.

### Officers' insurance

The company has purchased and maintained insurance to cover its officers against liabilities in relation to their duties to the company.

**AUTOLEASE FLEETS LIMITED**

**DIRECTORS' REPORT**

**31 December 1993**  
(continued)

**Auditors**

The company has elected to dispense with the annual re-appointment of auditors and in the absence of a specific resolution to the contrary Kidsons Impey will continue in office.

**Registered Office**

Burgess House  
1270 Coventry Road  
Yardley  
Birmingham B25 8JD

By order of the board  
  
R. Thorne

for B.S.G. Secretarial Services Limited

Secretary

30 March 1994

KIDSON'S IMPEY

**AUTOLEASE FLEETS LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

31 December 1993

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 year.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and apply them consistently
- make reasonable and prudent judgements and estimates
- state whether applicable accounting standards have been followed, and give details of any departures
- prepare the financial statements on a going concern basis unless in their view the company will be unable to continue in business.

They are also responsible for:

- keeping proper accounting records
- safeguarding the company's assets
- taking reasonable steps for the prevention and detection of fraud

By order of the board

  
R. Thorne

for B.S.G. Secretarial Services Limited

Secretary

30 March 1994

# AUTOLEASE FLEETS LIMITED

## AUDITORS' REPORT

### Auditors' report to the shareholders of Autolease Fleets Limited

We have audited the financial statements on pages 6 to 13 which have been prepared under the accounting policies set out on page 9.

#### Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of 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 at 31 December 1993 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Kidsons Impey*

Kidsons Impey

Registered Auditors

Chartered Accountants

Birmingham

30 March 1994

# **AUTOLEASE FLEETS LIMITED**

## **PROFIT AND LOSS ACCOUNT**

for the year ended 31 December 1993

	Note	1993 £	1992 £
Turnover	2	74,243,814	73,664,002
Cost of sales		(70,709,144)	(70,379,764)
Gross profit		3,534,670	3,284,238
Administrative expenses		(764,419)	(702,016)
Distribution costs		(2,503,595)	(2,289,191)
Operating profit	3	266,656	293,031
Interest receivable	4	700,501	804,289
Interest payable	5	(824,362)	(986,959)
Profit on ordinary activities before taxation		142,795	110,361
Taxation	7	(45,000)	(39,615)
Profit on ordinary activities after taxation		97,795	70,746
Dividends	8	-	(225,000)
Retained profit/(loss) for the year	15	97,795	(154,254)

**AUTOLEASE FLEETS LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**31 December 1993**

There are no recognised gains or losses other than the profit for the year of £97,795 (1992 loss £154,254).

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1993 £	1992 £
Profit for the year	97,795	70,746
Dividends	—	(225,000)
Net addition to/(reduction in) shareholders' funds	97,795	(154,254)
Opening shareholders' funds	<u>827,410</u>	<u>981,664</u>
Closing shareholders' funds	<u>925,205</u>	<u>827,410</u>



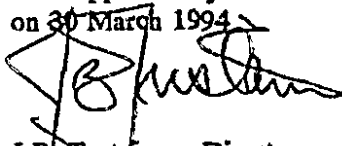
# AUTOLEASE FLEETS LIMITED

## BALANCE SHEET

at 31 December 1993

	Note	1993 £	£	1992 £	£
<b>Fixed assets</b>					
Tangible assets	9		-		-
<b>Current assets</b>					
Stocks	10	3,583,939		5,924,150	
Debtors	11	15,205,999		13,609,775	
Cash at bank		<u>2,338</u>		<u>5,442</u>	
		18,792,276		19,539,367	
Creditors: amounts falling due within one year	12	<u>(17,867,071)</u>		<u>(18,711,957)</u>	
<b>Net current assets</b>			<u>925,205</u>		<u>827,410</u>
			<u>925,205</u>		<u>827,410</u>
<b>Capital and reserves</b>					
Called up share capital	13	250,000			3
Profit and loss account	14	<u>675,205</u>		<u>827,407</u>	
			<u>925,205</u>		<u>827,410</u>

The financial statements on pages 6 to 13 were approved by the board of directors on 30 March 1994.

  
J.B. Fustain - Director

**AUTOLEASE FLEETS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

31 December 1993

**1 Principal accounting policies**

**Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention as modified by the revaluation of freehold property.

**Depreciation**

Depreciation is calculated on cost or revalued amounts 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**

The basis of valuation is the lower of cost and estimated realisable value. Cost includes materials, direct labour and production overheads where appropriate. Stocks include vehicles on sale or return.

**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.

**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 such timing differences are anticipated to continue for the foreseeable future no provision is made.

**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.

**Cash flow statement**

The company has taken advantage of the exemption from preparing a cash flow statement in accordance with Financial Reporting Standard No.1 as it is a wholly owned subsidiary undertaking and the parent undertaking publishes consolidated financial statements which include a consolidated cash flow statement.

**2 Turnover**

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

The turnover and profit before taxation are attributable to the principal activities of the company, being those of fleet distributors of motor vehicles.

Turnover relates wholly to continuing operations in the United Kingdom.

**AUTOLEASE FLEETS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

31 December 1993  
(continued)

3	Operating profit	1993 £	1992 £
	Operating profit is stated after charging		
	Auditors' remuneration		
	- Audit fees	17,900	18,073
	- Other services	850	925
	Operating lease rentals		
	- Hire of plant and machinery	44,302	44,085
		<u>          </u>	<u>          </u>
4	Interest receivable		
	Bank interest	700,501	804,289
		<u>          </u>	<u>          </u>
5	Interest payable		
	Interest payable on loans repayable within 5 years		
	Group company	824,362	986,959
		<u>          </u>	<u>          </u>
6	Directors and employees		
	Staff costs including directors' emoluments		
	Wages and salaries	976,700	773,220
	Social security costs	49,690	43,040
	Pension costs	<u>6,281</u>	<u>5,306</u>
		1,032,671	821,566
		<u>          </u>	<u>          </u>

No staff are directly employed by Autolease Fleets Limited. These costs represent a recharge from a fellow group undertaking.

The directors received no remuneration from the company.

**AUTOLEASE FLEETS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

**31 December 1993**  
(continued)

7	<b>Taxation</b>	<b>1993</b> £	<b>1992</b> £
	The taxation charge comprises		
	U.K. corporation tax at 33% (1992 33%)	45,000	40,000
	Prior year's adjustment - corporation tax	<u>      -</u>	<u>  (385)  </u>
		<u>45,000</u>	<u>39,615</u>
8	<b>Dividends</b>		
	Final dividend 1992 £75,000 per share	<u>      -</u>	<u>225,000</u>
9	<b>Tangible assets</b>		
	<b>Cost</b>		<b>Plant, machinery and equipment</b> £
	1 January 1993 and 31 December 1993		8,890
	<b>Depreciation</b>		<u>      -</u>
	1 January 1993 and 31 December 1993		8,890
	<b>Net book value</b>		<u>      -</u>
	31 December 1992 and 31 December 1993		<u>      -</u>
10	<b>Stocks</b>	<b>1993</b> £	<b>1992</b> £
	Vehicle and accessory stock	<u>3,583,939</u>	<u>5,924,150</u>

**AUTOLEASE FLEETS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

31 December 1993  
(continued)

11 Debtors	1993 £	1992 £
Trade debtors	703,015	987,218
Amount owed by parent undertaking	14,307,589	12,411,024
Amounts owed by fellow subsidiaries	66,000	70,054
Group taxation relief	-	15,498
Taxes recoverable	75,000	75,519
Prepayments and accrued income	<u>54,395</u>	<u>50,462</u>
	<u>15,205,999</u>	<u>13,609,775</u>

12 Creditors: amounts falling due within one year		
Trade creditors	3,317,945	4,946,387
Amounts owed to fellow subsidiaries	14,126,001	13,440,951
Corporation tax	85,000	115,000
Other taxes and social security	115,641	106,181
Accruals	<u>222,484</u>	<u>103,438</u>
	<u>17,867,071</u>	<u>18,711,957</u>

13 Called up share capital	1993 £	1992 £	Authorised 1993 £	Issued and fully paid 1992 £
Ordinary shares of £1 each	250,000	3,000	250,000	3

On 1 July 1993 the authorised share capital of the company was increased from £3,000 to £250,000 by the creation of 247,000 new shares of £1 each ranking pari passu with the 3,000 existing shares of £1 each.

On the same date 249,997 ordinary shares of £1 each were issued by the capitalisation of existing reserves.

14 Profit and loss account	£
Balance at 1 January 1993	827,407
Retained profit for the year	97,795
Capitalisation of reserves (see note 13)	<u>(249,997)</u>
Balance at 31 December 1993	<u>675,205</u>

**AUTOLEASE FLEETS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

31 December 1993  
(continued)

**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 31 December 1993 but not provided in these financial statements amounted to £Nil (1992 £Nil).

**17 Contingent liabilities**

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

**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. 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 31 March 1992 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.

The parent undertaking is a publicly quoted company and as such copies of its published accounts are available from Burgess House, 1270 Coventry Road, Birmingham B25 8BB.