

X

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

**31 December 1992**

**Registered number 632485**

KIDSONS DPEY



AUTOLEASE FLEETS LIMITED

DIRECTORS' REPORT

31 December 1992

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 1992.

Results and dividends

The profit for the year after taxation amounted to £70,746. It is recommended that a dividend of £225,000 be paid and the retained profit of £154,254 be set against 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 £73,664,002 was 1% lower than the previous year and the trading profit of £293,031 compared to a loss of £19,939 in the previous year. Profit on ordinary activities before taxation amounted to £110,361 compared with a loss of £109,275 in the previous year.

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

Fixed assets

The movements in 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 1992

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.

AUTOLEASE FLEETS LIMITED

DIRECTORS' REPORT

31 December 1992  
(continued)

Directors' shareholdings (continued)

The interests of the remaining directors in the shares of B.S.G. International plc are as follows:

|  | 31 December 1992<br>Ordinary shares<br>of 10p each | 31 December 1991<br>Ordinary shares<br>of 10p each |
|--|--|--|
| Beneficial shareholding  | Nil  | Nil  |
| Options held under the B.S.G.<br>International plc Executive<br>Share Option Scheme 1985       |  |  |
| Mr. T.J. Jones   | 100,000  | 100,000  |
| Options held under the B.S.G.<br>International plc Savings Related<br>Share Option Scheme 1988 |  |  |
| Mr. T.J. Jones   | 26,162   | 26,162   |

Share capital

It is the intention of the directors of the company to increase the authorised share capital by 247,000 ordinary shares of £1 each and the issued share capital by 249,997 ordinary shares of £1 each to £250,000. The increase will be implemented during the year ended 31 December 1993 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.

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

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

By Order of the Board  
  
R. Thorne

for B.S.G. Secretarial Services Limited

Secretary

23 March 1993

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 affairs of the company at 31 December 1992 and of the results 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

23 March 1993

KIDSONS IMPEY

AUTOLEASE FLEETS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1992

|  | Note | 1992<br>£           | 1991<br>£           |
|--|------|---------------------|---------------------|
| Turnover   | 2    | 73,664,002          | 74,402,656          |
| Cost of sales  |      | <u>(70,379,764)</u> | <u>(71,254,893)</u> |
| Gross profit   |      | 3,284,238           | 3,147,763           |
| Distribution costs                                   |      | <u>(2,289,191)</u>  | <u>(2,422,468)</u>  |
| Administrative expenses                              |      | <u>(702,016)</u>    | <u>(745,234)</u>    |
| Trading profit/(loss)                                | 3    | 293,031             | (19,939)            |
| Interest receivable                                  | 4    | 804,289             | 1,130,969           |
| Interest payable                                     | 5    | <u>(986,959)</u>    | <u>(1,220,305)</u>  |
| Profit/(loss) on ordinary activities before taxation |      | 110,361             | (109,275)           |
| Taxation (charge)/credit                             | 7    | <u>(39,615)</u>     | <u>46,000</u>       |
| Profit/(loss) on ordinary activities after taxation  |      | 70,746              | (63,275)            |
| Dividend   | 8    | <u>(225,000)</u>    | <u>—</u>            |
| Retained loss for the year                           | 15   | <u>(154,254)</u>    | <u>(63,275)</u>     |

# AUTOLEASE FLEETS LIMITED

## BALANCE SHEET

at 31 December 1992

|  | Note | 1992                | 1991                |
|--|------|---------------------|---------------------|
|  |      | £                   | £                   |
| Fixed assets                                   |      |                     |                     |
| Tangible assets                                | 9    | -                   | -                   |
| Current assets                                 |      |                     |                     |
| Stocks   | 10   | 5,924,150           | 7,092,974           |
| Debtors  | 11   | 13,609,775          | 10,518,797          |
| Cash   |      | <u>5,442</u>        | <u>2,210</u>        |
|  |      | 19,539,367          | 17,613,981          |
| Creditors: amounts falling due within one year | 12   | <u>(18,711,957)</u> | <u>(16,632,317)</u> |
| Net current assets                             |      | <u>827,410</u>      | <u>981,664</u>      |
|  |      | <u>827,410</u>      | <u>981,664</u>      |
| Capital and reserves                           |      |                     |                     |
| Called up share capital                        | 14   | 3                   | 3                   |
| Profit and loss account                        | 15   | <u>827,407</u>      | <u>981,661</u>      |
|  |      | <u>827,410</u>      | <u>981,664</u>      |

The financial statements on pages 4 to 10 were approved by the board of directors on 23 March 1993

J.B. Tustain - Director



AUTOLEASE FLEETS LIMITED  
NOTES ON FINANCIAL STATEMENTS

31 December 1992

1 Principal accounting policies

**Basis of accounting**

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

**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**

The basis of valuation is the lower of cost and estimated realisable value. Cost includes materials, direct labour and production overheads where appropriate.

**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 is attributable to the principal activity of the company, being the fleet distribution of motor vehicles.

Turnover relates wholly to the United Kingdom.

AUTOLEASE FLEETS LIMITED  
NOTES ON FINANCIAL STATEMENTS

31 December 1992  
(continued)

|   |  |                   |                   |
|---|--|-------------------|-------------------|
| 3 | Trading profit/(loss)  | 1992<br>£         | 1991<br>£         |
|   | Trading profit/(loss) is stated after charging   |                   |                   |
|   | Auditors' remuneration   |                   |                   |
|   | - Audit fees   | 18,073            | 18,073            |
|   | - Other services   | 925               | 925               |
|   | Hire of plant and vehicles   | 44,085            | 88,784            |
|   |  | <u>          </u> | <u>          </u> |
| 4 | Interest receivable  |                   |                   |
|   | Bank interest  | 804,289           | 1,130,969         |
|   |  | <u>          </u> | <u>          </u> |
| 5 | Interest payable   |                   |                   |
|   | Bank interest  | -                 | 2,338             |
|   | Group company  | 986,959           | 1,217,967         |
|   |  | <u>986,959</u>    | <u>1,220,305</u>  |
| 6 | Directors and employees  |                   |                   |
|   | Staff costs  |                   |                   |
|   | Wages and salaries   | 773,220           | 643,168           |
|   | Social security costs  | 43,040            | 64,317            |
|   | Pension costs  | <u>5,306</u>      | <u>4,926</u>      |
|   |  | <u>821,566</u>    | <u>712,411</u>    |
|   | No staff are directly employed by Autolease Fleets Limited. These costs represent a recharge from group companies. |                   |                   |
|   | The directors received no remuneration from the company.   |                   |                   |
| 7 | Taxation   | 1992<br>£         | 1991<br>£         |
|   | The taxation (charge)/credit comprises   |                   |                   |
|   | Corporation tax at 33% (1991 33%)  | (40,000)          | 16,500            |
|   | Deferred taxation  | -                 | 29,500            |
|   | Prior year's adjustment - corporation tax  | <u>385</u>        | <u>-</u>          |
|   |  | <u>(39,615)</u>   | <u>46,000</u>     |



AUTOLEASE FLEETS LIMITED  
NOTES ON FINANCIAL STATEMENTS

31 December 1992  
(continued)

|    |  |  |            |
|----|--|--|------------|
| 8  | Dividend   | 1992<br>£                              | 1991<br>£  |
|    | Dividend paid on ordinary shares at<br>31 December 1992 at £75,000 per share | 225,000                                | -          |
| 9  | Tangible assets  | Plant, machinery<br>and equipment<br>£ |            |
|    | Cost   |  |            |
|    | 1 January 1992 and 31 December 1992  | 8,890                                  |            |
|    | Depreciation   |  |            |
|    | 1 January 1992 and 31 December 1992  | 8,890                                  |            |
|    | Net book value   |  |            |
|    | 31 December 1991 and 31 December 1992  | -                                      |            |
| 10 | Stocks   | 1992<br>£                              | 1991<br>£  |
|    | Vehicle and accessory stock  | 5,924,150                              | 7,092,974  |
| 11 | Debtors  |  |            |
|    | Amounts falling due within one year  |  |            |
|    | Trade debtors  | 987,218                                | 1,428,448  |
|    | Amount owed by parent undertaking  | 12,411,024                             | 8,973,845  |
|    | Amounts owed by fellow subsidiaries  | 70,054                                 | 66,000     |
|    | Group taxation relief  | 15,498                                 | -          |
|    | Taxes recoverable  | 75,519                                 | -          |
|    | Prepayments and accrued income   | 50,462                                 | 50,504     |
|    |  | 13,609,775                             | 10,518,797 |

AUTOLEASE FLEETS LIMITED  
NOTES ON FINANCIAL STATEMENTS

31 December 1992  
(continued)

| 12 Creditors: amounts falling due within one year | 1992<br>£         | 1991<br>£         |
|---|-------------------|-------------------|
| Trade creditors                                   | 4,946,387         | 4,872,209         |
| Amounts owed to fellow subsidiaries               | 13,440,951        | 11,478,105        |
| Corporation tax                                   | 115,000           | 135,000           |
| Other taxes and social security                   | 106,181           | 100,333           |
| Accruals  | <u>103,438</u>    | <u>46,670</u>     |
|   | <u>18,711,957</u> | <u>16,632,317</u> |

13 Provisions for liabilities

The deferred tax liability at 31 December 1992 arising on timing differences, calculated on the liability method at 33% is as follows:

|                                | 1992<br>£     | 1991<br>£ |
|--------------------------------|---------------|-----------|
| Accelerated capital allowances | <u>11,000</u> | <u>-</u>  |

The potential deferred tax liability not provided at 31 December 1992 in respect of timing differences, calculated on the liability method at 33% is £11,000 (1991 £Nil).

| 14 Called up share capital (1992 and 1991) | Authorised<br>£ | Issued and<br>fully paid<br>£ |
|--|-----------------|-------------------------------|
| Ordinary shares of £1 each                 | <u>3,000</u>    | <u>3</u>                      |

| 15 Profit and loss account | £                |
|----------------------------|------------------|
| Balance 1 January 1992     | 981,661          |
| Retained loss for the year | <u>(154,254)</u> |
| Balance 31 December 1992   | <u>827,407</u>   |

AUTOLEASE FLEETS LIMITED  
NOTES ON FINANCIAL STATEMENTS

31 December 1992  
(continued)

16 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.

17 Capital commitments

Capital expenditure authorised up to 31 December 1992 but not provided in these financial statements amounted to £Nil (1991 £Nil).

18 Contingent liabilities

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

19 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 31st March 1992 appear in the published financial statements of the parent undertaking.

20 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.