

# DIAL CONTRACTS LIMITED

## REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31st December 1981.

### ACTIVITIES

The principal activity of the company is the rental of motor vehicles on contract hire and on lease.

### PROFIT AND APPROPRIATIONS

The company's profit for the period after taxation was £1,024,046. The directors recommend a dividend of £700,000.

### DIRECTORS

The directors of the company during the period were:-

P. Rodney Pollard	-	Chairman
H.A. Henderson	-	Managing
E.W. Dawson	-	(Resigned 30th March 1981)
S.G. Errington		
P.E. Howroyd		
M. Roselman		
G.A.L. Faulkner		
W.A. Gamble	-	(Appointed 1st May 1981)
S.M. Burns	-	(Appointed 5th October 1981)

### DIRECTORS' INTERESTS

Under the Rules of the Barclays Bank Limited 1979 Profit Sharing Scheme, eligible directors, in common with other employees of Barclays Bank Limited Group Companies, may acquire beneficial interests in Ordinary Stock of the Bank. They may also participate in the Barclays Bank Limited Save As You Earn Stock Option Scheme under which rights are granted to purchase Ordinary Stock upon the expiry of 5 or 7 year periods. Allocations and option prices under the Schemes are related to prices ruling on The Stock Exchange immediately following announcements of the Bank's annual results.

Mr. P. Rodney Pollard and Mr. S.G. Errington are directors of the immediate holding company and are not required to notify their interests to the company. The interests of the other directors in the share and loan capital of the ultimate holding company and its subsidiaries at 1st January 1981 and 31st December 1981 were:

	Barclays Bank Limited			At 1st January 1981		
	At 31st December 1981			stock units of £1		
	stock units of £1			stock units of £1		
	Ordinary stock units			Ordinary stock units		
	Beneficial/Options			Beneficial/Options		
H.A. Henderson	502	-	-	238	-	-
P.E. Howroyd	416	666	-	216	-	-
M. Roselman	549	-	-	270	-	-
G.A.L. Faulkner	434	666	-	207	-	-
W.A. Gamble	-	820	-	148*	-	-
S.M. Burns	200	-	-	200*	-	-

\*At date of appointment



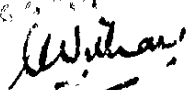
DIAL CONTRACTS LIMITED

REPORT OF THE DIRECTORS (continued)

AUDITORS

In accordance with Section 14 of the Companies Act 1976, a resolution proposing the re-appointment of Deloitte Haskins & Sells as auditors to the company will be put to the annual general meeting.

BY ORDER OF THE BOARD

  
Secretary

7-17 Ansdell Street  
Kensington Square  
London W8

1st March 1982

AUDITORS' REPORT  
TO THE MEMBERS OF DIAL CONTRACTS LIMITED

We have audited the financial statements on pages 4 to 11 in accordance with approved 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 1981 and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

*Helvete Vaskens - Sells.*

Chartered Accountants

1st March 1982

London

DIAL CONTRACTS LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR TO 31st DECEMBER 1981

	<u>Notes</u>	<u>Year to</u> <u>31st December</u> <u>1981</u> <u>£</u>	<u>Year to</u> <u>31st December</u> <u>1980</u> <u>£</u>
TURNOVER	6	<u>£24,707,557</u>	<u>£16,191,325</u>
PROFIT BEFORE TAXATION	7 & 8	2,143,463	725,643
TAXATION	9	<u>1,119,417</u>	<u>308,967</u>
		1,024,046	416,676
PROPOSED DIVIDEND		<u>700,000</u>	<u>216,000</u>
		324,046	200,676
RETAINED PROFIT FOR PERIOD			
RETAINED PROFITS AT 31st DECEMBER 1980		<u>203,686</u>	<u>102,910</u>
		527,732	303,586
CAPITALISATION OF RESERVES		-	(99,900)
RETAINED PROFITS AT 31st DECEMBER 1981		<u>£ 527,732</u>	<u>£ 203,686</u>

# DIAL CONTRACTS LIMITED

BALANCE SHEET 31st DECEMBER 1981

	<u>Notes</u>	<u>1981</u> £	<u>1980</u> £
<b>FUNDS EMPLOYED</b>			
SHARE CAPITAL	11	100,000	100,000
RETAINED PROFITS		527,732	203,686
		<u>627,732</u>	<u>303,686</u>
DEFERRED TAXATION	1 & 10	8,312,909	12,298,191
LOANS AND OVERDRAFTS			
Loan from holding company		25,416,961	17,381,489
Secured loan		16,913	18,867
Bank overdraft		1,910,562	1,107,393
		<u>27,344,436</u>	<u>18,507,769</u>
		<u>£36,235,077</u>	<u>£31,109,646</u>
<b>USE OF FUNDS</b>			
FIXED ASSETS	1 & 3	125,574	100,957
MOTOR VEHICLES ON CONTRACT			
HIRE AND LEASE	1 & 4	36,395,776	30,934,021
INTEREST IN SUBSIDIARIES	5	478,242	23,099
AMOUNTS DUE FROM GROUP COMPANIES		-	833,414
STOCKS	1	12,850	13,903
DEBTORS AND PREPAYMENTS		2,199,225	1,571,901
CASH		1,553	1,543
		<u>39,213,220</u>	<u>33,478,838</u>
<b>CURRENT LIABILITIES</b>			
Creditors		938,821	656,995
Deferred maintenance income		767,743	718,239
Rentals received in advance		515,595	771,974
Amount owing to subsidiary		5,984	5,984
Dividends		700,000	216,000
		<u>2,928,143</u>	<u>2,369,192</u>
		<u>£36,285,077</u>	<u>£31,109,646</u>

*[Signature]*  
*[Signature]* Directors

Approved by the Board on 1st March 1982

DIAL CONTRACTS LIMITEDSTATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE YEAR ENDED 31st DECEMBER 1981

	Year to 31st December 1981 £	Year to 31st December 1980 £
<b>SOURCE OF FUNDS</b>		
<b>FUNDS GENERATED FROM OPERATIONS</b>		
Profit before taxation	2,143,463	725,643
Adjustment for item not involving the movement of funds:		
Depreciation	10,087,735	9,316,649
	<u>12,231,198</u>	<u>10,042,292</u>
<b>FUNDS FROM OTHER SOURCES</b>		
Proceeds from disposal of motor vehicles on contract hire and lease	7,873,274	6,852,581
Increase in loan from holding company	1,048,607	-
Receipts in respect of group relief	2,715,580	4,895,107
	<u>11,637,461</u>	<u>11,747,688</u>
	<u>23,868,659</u>	<u>21,789,930</u>
<b>APPLICATION OF FUNDS</b>		
Decrease in loan from holding company	-	1,240,327
Investment in new subsidiary	-	17,115
Purchase of motor vehicles for contract hire and lease	23,377,384	14,739,857
Purchase of fixed assets	69,997	35,870
Dividend paid	216,000	400,000
Decrease in secured loan	1,974	1,213
Decrease in unsecured loan	-	6,000,000
Increase in loan to subsidiary	455,143	-
	<u>24,120,498</u>	<u>22,434,382</u>
	<u>£ (251,839)</u>	<u>£ (644,402)</u>
<b>DECREASE IN WORKING CAPITAL</b>		
Decrease (1980 increase) in stocks	(1,053)	5,496
Increase in debtors	627,324	124,904
Increase (1980 decrease) in creditors	(281,826)	83,771
Increase in deferred maintenance income	(49,504)	(25,917)
Decrease (1980 increase) in rentals received in advance	256,379	(383,574)
Decrease in amounts due to group companies	-	73,997
Increase in bank overdrafts	(803,159)	(523,079)
	<u>£ (251,839)</u>	<u>£ (644,402)</u>

DIAL CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st DECEMBER 1981

1. ACCOUNTING POLICIES

a) Basis of Accounting

The company prepares its accounts on the historical cost basis of accounting.

b) Depreciation of Motor Vehicles on Contract Hire and Lease.

i) on contract hire:

The cost less estimated residual value of motor vehicles on contract hire is depreciated on a straight line basis over the period of hire. The difference between sale proceeds and estimated residual value is taken to profit and loss account in the year of disposal of the vehicle.

ii) on lease:

The cost less agreed residual value of leased motor vehicles is depreciated over the lease period on a rising scale resulting from net leasing income (total rental income less the excess of vehicle cost over the agreed residual value) being taken to credit in relation approximately to the funds invested in the asset.

c) Depreciation of Fixed Assets

Leasehold improvements are amortised by equal instalments over the period of the lease. Plant and equipment and office furniture is depreciated at the rate of 15% per annum on the straight line method.

d) Deferred Taxation

Deferred taxation is provided under the liability method, at the current rate of corporation tax of 52%, in respect of the full amount of timing differences, details of which are given in note 10.

e) Stocks

Stocks are valued at the lower of invoiced cost to the company and net realisable value.

f) Deferred Maintenance Income

In the case of hire contracts inclusive of vehicle maintenance, part of the rental charged to customers is in respect of maintenance costs to be incurred during the contract period. Any excess of the maintenance rental charged to date, in respect of a vehicle, over expenditure incurred to date, is carried forward to the subsequent accounting period to offset the increased maintenance costs likely to arise in the remainder of the contract period. Any excess of maintenance costs incurred on a vehicle at 31st December over the estimate of costs to be incurred by that date is written off.

**AL CONTRACTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER 1981 (continued)**

**2. SECURED LOAN**

The loan is secured on the leasehold property occupied by the company and is repayable by varying instalments over 43 years, the loan being interest free.

**3. FIXED ASSETS**

	Leasehold improvements under 50 years £	Plant, equipment and office furniture £	Total £
<b>COST</b>			
At 1st January 1981	27,529	168,403	195,932
Additions during year	35,033	34,964	69,997
Disposals during year	-	-	-
At 31st December 1981	62,562	203,367	265,929
<b>DEPRECIATION</b>			
At 1st January 1981	12,019	82,956	94,975
Charge for the year	18,090	27,290	45,380
Eliminated in respect of disposals	-	-	-
At 31st December 1981	30,109	110,246	140,355
<b>NET BOOK VALUES</b>			
At 31st December 1981	32,453	93,121	125,574
At 31st December 1980	£15,510	£ 85,447	£100,957

Capital expenditure in respect of which contracts had been placed at 31st December 1981 amounted to ENIL(1980 £28,616).

**4. MOTOR VEHICLES ON CONTRACT HIRE AND LEASE**

	On Hire £	On Lease £	Total £
<b>COST</b>			
At 1st January 1981	26,122,897	18,348,307	44,471,204
Additions during year	14,514,063	8,863,321	23,377,384
Disposals during year	(9,239,065)	(6,959,359)	(16,198,424)
At 31st December 1981	31,397,895	20,252,269	51,650,164
<b>DEPRECIATION</b>			
At 1st January 1981	7,270,578	6,266,605	13,537,183
Charge for the year	5,616,176	4,426,179	10,042,355
Eliminated in respect of disposals	(4,746,651)	(3,578,499)	(8,325,150)
At 31st December 1981	8,140,103	7,114,285	15,254,388
<b>NET BOOK VALUES</b>			
At 31st December 1981	£23,257,792	£13,137,984	£36,395,776
At 31st December 1980	£18,852,319	£12,081,702	£30,934,021

Future rentals under current agreements in respect of vehicles on lease

£15,154,625

At 31st December 1981 commitments for the purchase of additions to the contract hire fleet amounted to £4,458,240 (1980 £1,221,800).



# AL CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 1981 (continued)

### 5. INTEREST IN SUBSIDIARIES

	<u>1981</u>	<u>1980</u>
	£	£
Shares at cost	6,084	6,084
Loan	472,158	17,015
	<u>478,242</u>	<u>23,099</u>

At 31st December 1981, the company held the entire share capital of Ringwest Motors Limited and Network Vehicles Limited.

Group accounts are not presented since the company is a wholly-owned subsidiary of another company incorporated in Great Britain.

In the opinion of the directors the value of the company's interest in its subsidiaries, is not less than the amount at which it is stated in the balance sheet.

### 6. TURNOVER

Turnover represents the total rentals receivable under agreements entered into during the period for the contract hire and lease of motor vehicles before deducting any refund of rentals related to disposal proceeds which becomes payable on the termination of a lease.

### 7. PROFIT BEFORE TAXATION

this is arrived at after charging:	<u>Year to</u> <u>31st December</u> <u>1981</u>	<u>Year to</u> <u>31st December</u> <u>1980</u>
	£	£
Interest payable:		
Holding company	2,280,488	2,638,353
Bank overdraft	132,144	64,404
Secured loan	(20)	36
Other loans	-	663,967
Depreciation of fixed assets	45,381	20,766
Depreciation of contract and lease fleets	10,042,355	9,295,883
Auditors' remuneration	14,755	10,469
and after crediting:		
Dividend from subsidiary, including in 1980 £117,309 in respect of profits of previous periods	-	117,656

### 8. DIRECTORS' EMOLUMENTS

Emoluments as executives	£ 86,900	£ 62,319
Analysis of directors' emoluments (excluding pension fund contributions):	£	£
Chairman	NIL	NIL
Highest paid director	£ 32,519	£ 24,155

# DIAL CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 1981 (continued)

### 8. DIRECTORS' EMOLUMENTS (continued)

Year to  
31st December  
1981  
Number

Year to  
31st December  
1980  
Number

Analysis of directors' emoluments (excluding  
pension fund contributions) continued

Other directors within the range:-

£Nil £ 5,000  
£10,001 - £15,000  
£15,001 - £20,000  
£20,001 - £25,000

### 9. TAXATION

#### (i) Current year

Amount payable in respect of tax  
appropriate to group relief on the  
company's profit for taxation  
purposes

Less: Transfer from deferred  
taxation

#### (ii) Future years

Reduction in amount payable  
from group relief on the company's  
profit for taxation purposes in group  
relief on the company's profit  
for taxation purposes in previous  
years

Less: Transfer from deferred  
taxation

JIAL CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st DECEMBER 1981 (continued)

10. DEFERRED TAXATION

Deferred taxation is accounted for under the liability method in respect of the following:

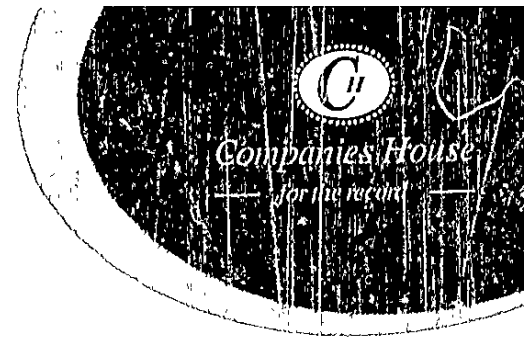
	<u>1981</u> <u>£</u>	<u>1980</u> <u>£</u>
Excess capital allowances, on fixed assets and motor vehicles on contract hire and lease, over depreciation	8,541,985	12,514,266
Deferred Maintenance income and other timing differences	(229,076)	(216,075)
	<u>£8,312,909</u>	<u>£12,298,191</u>

11. SHARE CAPITAL

	<u>1981</u> <u>£</u>	<u>1980</u> <u>£</u>
Authorised issued and Fully paid 100,000 shares of £1 each	<u>£100,000</u>	<u>£100,000</u>

12. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Barclays Bank PLC, which is incorporated in Great Britain.



## **NOTICE OF ILLEGIBLE DOCUMENT ON THE MICROFICHE RECORD**

**Companies House regrets that the microfiche record for this company, contain some documents, which are illegible.**

**The poor quality has been noted, but unfortunately steps taken to improve them were unsuccessful.**

**Companies House would like to apologise for any inconvenience this may cause**

