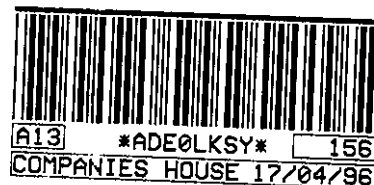


Registered no: 715189

Volkswagen Insurance Service  
(Great Britain) Limited  
Annual report  
for the year ended 31 December 1995



# **Volkswagen Insurance Service (Great Britain) Limited**

## **Annual report for the year ended 31 December 1995**

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# **Volkswagen Insurance Service (Great Britain) Limited**

## **Directors and advisers**

### **Directors**

R D Clinch  
M J G Knox  
K Vacano  
K Kaminsky

### **Secretary and registered office**

H F Hay  
Yeomans Drive  
Blakelands  
Milton Keynes  
MK14 5AN

### **Registered Auditors**

Coopers & Lybrand  
Central Business Exchange  
Midsummer Boulevard  
Central Milton Keynes  
MK9 2DF

# **Volkswagen Insurance Service (Great Britain) Limited**

## **Directors' report for the year ended 31 December 1995**

The directors present their report and the audited financial statements for the year ended 31 December 1995.

### **Principal activities**

The principal activity of the company is to arrange motor insurance for Audi, Volkswagen, SEAT and Skoda owners and other types of insurance on behalf of Audi and Volkswagen dealers in the United Kingdom.

There has been no significant change in the principal activities of the company during the year ended 31 December 1995.

### **Review of business**

Both the level of business and the year end financial position remain satisfactory and the directors expect that the present level of operating activity will be sustained for the foreseeable future.

### **Dividends and transfers to reserves**

The directors have declared a dividend of £200,000 in respect of the year ended 31 December 1995. After payment of this dividend, £89,511 of the retained loss for the financial year will be transferred to reserves.

### **Directors**

The directors who served during the year were:-

R D Clinch  
M J G Knox  
K Vacano (resigned 12.1.96)  
K Kaminsky

### **Directors' interests**

None of the directors had any notifiable interests in shares of the company, or of the parent undertaking, Volkswagen Versicherungsdienst G.m.b.h., or of any fellow subsidiary undertakings of that company during the year.

# **Volkswagen Insurance Service (Great Britain) Limited**

## **Directors' responsibilities**

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 1995. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Taxation status**

The Company is not a close company as defined by the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

## **Auditors**

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

**By order of the board**



Company secretary

2 April 1996

# **Report of the auditors to the members of Volkswagen Insurance Service (Great Britain) Limited**

We have audited the financial statements on pages 5 to 10.

## **Respective responsibilities of directors and auditors**

As described on page 3 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.

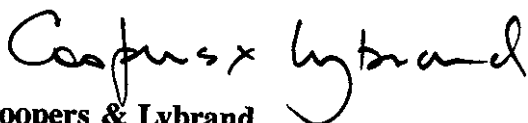
## **Basis of opinion**

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 1995 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Coopers & Lybrand**  
Chartered Accountants and Registered Auditors  
Milton Keynes

2 April 1996

# Volkswagen Insurance Service (Great Britain) Limited

## Profit and loss account for the year ended 31 December 1995

	Notes	1995 £	1994 £
Turnover - continuing operations	2	183,752	237,281
Administration expenses		(32,096)	(27,533)
Operating profit - continuing operations		151,656	209,748
Interest receivable and similar income		13,251	18,092
Profit on ordinary activities before taxation	5	164,907	227,840
Tax on profit on ordinary activities	6	(54,418)	(75,394)
Profit on ordinary activities after taxation		110,489	152,446
Dividends	7	(200,000)	(120,000)
Retained (loss)/profit for the financial year	12	(89,511)	32,446

The company has no recognised gains and losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

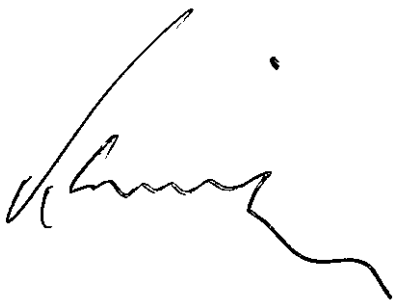
# Volkswagen Insurance Service (Great Britain) Limited

## Balance sheet at 31 December 1995

	Notes	1995 £	1994 £
<b>Current assets</b>			
Stocks	8	14,168	18,309
Debtors: amounts falling due after more than one year	9	25,000	-
Debtors: amounts falling due within one year	9	16,129	30,684
Cash at bank and in hand		177,883	213,506
		<u>233,180</u>	<u>262,499</u>
<b>Creditors: amounts falling due within one year</b>	10	(168,871)	(108,679)
<b>Net assets</b>		<u>64,309</u>	<u>153,820</u>
<b>Capital and reserves</b>			
Called up share capital	11	40,000	40,000
Profit and loss account	12	24,309	113,820
<b>Equity shareholders' funds</b>	13	<u>64,309</u>	<u>153,820</u>

The financial statements on pages 5 to 10 were approved by the board of directors on 2 April 1996 and were signed on its behalf by:

Director






# **Volkswagen Insurance Service (Great Britain) Limited**

## **Notes to the financial statements for the year ended 31 December 1995**

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### **Basis of accounting**

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

#### **Cash flow**

The company qualifies as a small company under the terms of Section 247 of the Companies Act 1985. As a consequence, it is exempt from the requirement to publish a cash flow statement.

#### **Turnover**

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of insurance services supplied.

### **2 Turnover**

Turnover consists entirely of services provided in the United Kingdom.

### **3 Directors' emoluments**

The directors did not receive any emoluments from the company during either year.

### **4 Employee information**

The company had no employees during either year.

# Volkswagen Insurance Service (Great Britain) Limited

## 5 Profit on ordinary activities before taxation

Profit on ordinary activities is stated after charging:

	1995 £	1994 £
Auditors' remuneration for audit services	<u>1,584</u>	<u>1,584</u>

## 6 Tax on profit on ordinary activities

	1995 £	1994 £
United Kingdom corporation tax at 33% (1994: 33%):	<u>54,418</u>	<u>75,394</u>

## 7 Dividends

	1995 £	1994 £
Dividends on equity shares:		
Ordinary - interim paid of £2.50 per share	100,000	120,000
Ordinary - final proposed of £2.50 per share	<u>100,000</u>	<u>-</u>
	<u>200,000</u>	<u>120,000</u>

## 8 Stocks

	1995 £	1994 £
Consumables	<u>14,168</u>	<u>18,309</u>

# Volkswagen Insurance Service (Great Britain) Limited

## 9 Debtors

	1995 £	1994 £
<b>Amounts falling due after more than one year:</b>		
ACT recoverable	25,000	-
<b>Amounts falling due within one year:</b>		
Trade debtors	11,398	29,092
Amounts owed by associated undertakings	4,731	1,592
	<u>16,129</u>	<u>30,684</u>

## 10 Creditors: amounts falling due within one year

	1995 £	1994 £
ACT payable	25,000	30,000
Corporation tax payable	29,377	45,269
Accruals and deferred income	14,494	33,410
Dividends payable	100,000	-
	<u>168,871</u>	<u>108,679</u>

## 11 Called up share capital

	1995 £	1994 £
<b>Authorised, allotted, called up and fully paid:</b>		
20,400 'A' ordinary shares of £1 each	20,400	20,400
19,600 'B' ordinary shares of £1 each	19,600	19,600
	<u>40,000</u>	<u>40,000</u>

# Volkswagen Insurance Service (Great Britain) Limited

## 12 Profit and loss account

	£
At 1 January 1995	113,820
Retained loss for the year	(89,511)
	<hr/>
At 31 December 1995	24,309
	<hr/>

## 13 Reconciliation of movements in shareholders' funds

	1995 £	1994 £
Opening shareholders' funds	153,820	121,374
Profit for the financial period	110,489	152,446
Dividends and appropriations	(200,000)	(120,000)
	<hr/>	<hr/>
Closing shareholders' funds	64,309	153,820
	<hr/>	<hr/>

## 14 Ultimate parent company

The ultimate parent undertaking is Volkswagen Versicherungsdienst G.m.b.H., a company incorporated in Germany. Copies of the ultimate parent's consolidated financial statements may be obtained from:

Volkswagen Versicherungsdienst G.m.b.H.  
Finanz - Publizität und Statistik  
D-38436  
Wolfsburg  
Germany