

AUTOLEASE LIMITED
REPORT AND FINANCIAL STATEMENTS

31 December 1992

Registered number 767474



AUTOLEASE 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 £148,396. It is recommended that a dividend of £600,000 be paid and the resulting loss of £451,604 be set against reserves.

Review of business

The principal activities of the company continue to be those of motor vehicle hirers.

The turnover for the year at £75,879,300 was 12% lower than the previous year. Profit on ordinary activities before taxation amounted to £309,172 compared with a loss of £1,144,650 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 1992

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

Mr. J.M. Given was appointed on 28 September 1992.

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 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 Ordinary shares of 10p each	31 December 1991 (or date of appointment) Ordinary shares of 10p each
Options held under the B.S.G. International plc Executive Share Option Scheme 1985		
Mr. T.J. Jones	100,000	100,000
Options held under the B.S.G. International plc Savings Related Share Option Scheme 1988		
Mr. T.J. Jones	26,162	26,162
Mr. K.B. Hall	26,162	26,162
Mr. J.M. Given	8,720	8,720

Share capital

It is the intention of the directors of the company to increase the authorised share capital by 999,000 ordinary shares of £1 each and the issued share capital by 999,450 ordinary shares of £1 each to £1,000,000. 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 LIMITED

AUDITORS' REPORT

Auditors' report to the members of Autolease Limited

We have audited the financial statements on pages 4 to 12 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 result 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 LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1992

	Note	1992 £	1991 £
Turnover	2	75,879,300	86,687,520
Cost of sales		(73,575,665)	(85,745,052)
Gross profit		2,303,635	942,468
Administrative expenses		(2,172,845)	(2,317,304)
Trading profit/(loss)	3	130,790	(1,374,836)
Interest receivable	4	987,835	1,221,019
Interest payable	5	(809,453)	(990,833)
Profit/(loss) on ordinary activities before taxation		309,172	(1,144,650)
Taxation (charge)/credit	7	(160,776)	392,500
Profit/(loss) on ordinary activities after taxation		148,396	(752,150)
Dividend	8	(600,000)	—
Retained loss for the year	14	(451,604)	(752,150)

KIDSON'S IMPEY

AUTOLEASE LIMITED

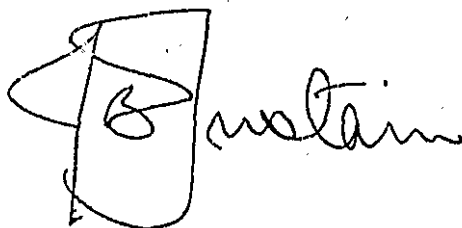
BALANCE SHEET

at 31 December 1992

	Note	1992	1991
		£	£
Fixed assets			
Tangible assets	9	586,488	697,064
Current assets			
Debtors	10	21,044,527	23,172,529
Cash at bank		<u>2,510</u>	<u>2,528</u>
		21,047,037	23,175,057
Creditors: amounts falling due within one year	11	(18,832,777)	(20,641,769)
Net current assets		<u>2,214,260</u>	<u>2,533,288</u>
Total assets less current liabilities		2,800,748	3,230,352
Provisions for liabilities and charges	12	<u>(22,000)</u>	<u>-</u>
		<u>2,778,748</u>	<u>3,230,352</u>
Capital and reserves			
Called up share capital	13	550	550
Profit and loss account	14	<u>2,778,198</u>	<u>3,229,802</u>
		<u>2,778,748</u>	<u>3,230,352</u>

The financial statements on pages 4 to 12 were approved by the board of directors on 23 March 1993

J.B. Tustain - Director



AUTOLEASE 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

	%
Vehicles	25
Office equipment	10
Computer software	33.33

Leases

Amounts payable under hire purchase arrangements and operating leases are charged to the profit and loss account on a straight line basis over the period of the hire or lease. Assets held for the company's own use and funded through finance leases have not been capitalised in the balance sheet.

Contract hire and leasing business

The company has entered into operating agreements with finance houses in respect of vehicles which are subleased to customers. Net income from vehicle leasing and contract hire agreements is credited to the profit and loss account so as to spread profits equally over the period 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.

AUTOLEASE LIMITED
NOTES ON FINANCIAL STATEMENTS

31 December 1992
(continued)

2 Turnover

Turnover represents the invoiced value excluding value added tax of services provided to customers.

The turnover and profit before taxation is attributable to the principal activity of the company, being that of motor vehicle hirers.

Turnover relates wholly to the United Kingdom.

3 Trading profit/(loss)	1992 £	1991 £
Trading profit/(loss) is stated after charging		
Depreciation of tangible fixed assets		
- Owned assets	175,809	171,626
Auditors' remuneration		
- Audit fees	18,072	18,072
- Other services	925	925
Hire and lease of plant and vehicles	54,019,885	64,153,664
	<hr/>	<hr/>

4 Interest receivable

Group company	986,959	1,217,967
Other interest	<u>876</u>	<u>3,052</u>
	<hr/>	<hr/>
	987,835	1,221,019
	<hr/>	<hr/>

5 Interest payable

Bank loans and overdrafts	759,635	927,407
Parent undertaking	<u>49,818</u>	<u>63,426</u>
	<hr/>	<hr/>
	809,453	990,833
	<hr/>	<hr/>

AUTOLEASE LIMITED
NOTES ON FINANCIAL STATEMENTS

31 December 1992
(continued)

6	Directors and employees	1992	1991
		£	£
	Staff costs including directors' emoluments		
	Wages and salaries	1,481,956	1,668,664
	Social security costs	170,008	163,303
	Pension costs	<u>20,957</u>	<u>19,457</u>
		<u>1,672,921</u>	<u>1,851,424</u>
	Average number of persons employed including executive directors	Number	Number
	Sales and distribution	28	33
	Administration	<u>115</u>	<u>121</u>
		143	154
	Directors' emoluments	£	£
	For management	<u>254,418</u>	<u>190,810</u>
	Emoluments, excluding pension contributions are analysed as follows		
	Chairman	<u>Nil</u>	<u>Nil</u>
	Highest paid director	<u>74,200</u>	<u>59,215</u>
	Number of other directors whose emoluments were within the ranges	Number	Number
	£0 - £5,000	1	1
	£10,001 - £15,000	1	-
	£40,001 - £45,000	-	2
	£45,001 - £50,000	-	1
	£50,001 - £55,000	2	-
	£60,001 - £65,000	1	-

AUTOLEASE LIMITED
NOTES ON FINANCIAL STATEMENTS

31 December 1992
(continued)

7	Taxation	1992 £	1991 £
	The taxation (charge)/credit comprises		
	U.K. corporation tax at 33% (1991 33%)	(143,000)	384,000
	Deferred taxation	(22,000)	24,500
	Prior year's adjustment - corporation tax	<u>4,224</u>	<u>(16,000)</u>
		<u>(160,776)</u>	<u>392,500</u>
8	Dividend		
	Dividend paid on ordinary shares on 31 December 1992 at £1,090.91 per share	<u>600,000</u>	<u>-</u>
9	Tangible fixed assets		
		Plant, machinery equipment and motor vehicles	
	Cost	£	
	1 January 1992	1,369,162	
	Additions	66,318	
	Disposals	<u>(3,615)</u>	
	31 December 1992	<u>1,431,865</u>	
	Depreciation		
	1 January 1992	672,098	
	Charge for year	175,809	
	Disposals	<u>(2,530)</u>	
	31 December 1992	<u>845,377</u>	
	Net book amount		
	31 December 1992	<u>586,488</u>	
	31 December 1991	<u>697,064</u>	

AUTOLEASE LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1992
(continued)

10 Debtors	1992 £	1991 £
Amounts falling due within one year		
Trade debtors	1,846,629	4,326,411
Amount owed by parent undertaking	494,901	1,545,482
Amounts owed by fellow subsidiaries	12,685,028	10,988,260
Group taxation relief	384,405	-
Taxes recoverable	200,000	-
Prepayments and accrued income	<u>5,433,564</u>	<u>6,312,376</u>
	<u>21,044,527</u>	<u>23,172,529</u>
11 Creditors: amounts falling due within one year		
Bank overdraft	3,872,266	2,049,875
Trade creditors	6,307,394	7,264,289
Amounts owed to fellow subsidiaries	674,141	834,416
Corporation tax	837,730	402,394
Other taxes and social security	886,785	692,130
Accruals and deferred income	<u>6,254,461</u>	<u>9,398,665</u>
	<u>18,832,777</u>	<u>20,641,769</u>

12 Provision for liabilities

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

AUTOLEASE LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1992
(continued)

13 Called up share capital (1992 and 1991)	Authorised £	Issued and Fully Paid £
Ordinary shares of £1 each	1,000	550
14 Profit and loss account	£	
Balance 1 January 1992	3,229,802	
Retained loss for the year	<u>(451,604)</u>	
Balance 31 December 1992	<u>2,778,198</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 Contingent liabilities

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

The company has given an unlimited inter-company composite guarantee in respect of the indebtedness of the parent undertaking and a fellow subsidiary undertaking to the Royal Bank of Scotland.

At 31 December 1992 the company was contractually bound to pay future rentals to finance companies in connection with vehicle leasing agreements arranged for customers. The sums payable are secured by various charges over agreements made between the company and its customers which in the ordinary course of business provide the means by which future rental liabilities can be met.

AUTOLEASE LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1992
(continued)

17 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.

18 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.