

915008
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GUY SALMON (SERVICE) LIMITED

DIRECTORS:

G.F. Salmon
R.G. Salmon
M. Buckingham

SECRETARY:

R.G. Salmon

REGISTERED OFFICE:

Portsmouth Road,
Thames Ditton,
Surrey.

REGISTERED NUMBER:

915008

REPORT OF THE DIRECTORS TO THE MEMBERS OF GUY SALMON (SERVICE) LIMITED

The Directors have pleasure in presenting their Report and Accounts for the year ended 31st July, 1978.

FINANCIAL

The results for the year, with comparative figures for the previous year, are as shown in the attached Profit and Loss Account.

The Directors do not recommend payment of a dividend.

The principal activity of the Company during the year was that of motor vehicle hirers.

DIRECTORS

The Directors who served during the year and their interests in the shares of the holding company were as follows:-

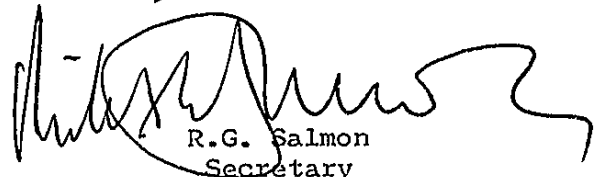
	<u>31.7.78.</u>	<u>31.7.77</u>
G.F. Salmon - Chairman	81,885	91,885 Ordinary Shares
R.G. Salmon	52,099	52,099 Ordinary Shares
M. Buckingham	Nil	Nil Ordinary Shares

AUDITORS

Messrs. Menzies Middleton Hawkins & Co. have expressed their willingness to continue in office, and in accordance with Section 14 Companies Act 1976 offer themselves for re-election.

11th January, 1979

By Order of the Board


R.G. Salmon
Secretary



REPORT OF THE AUDITORS TO THE MEMBERS OF

GUY SALMON (SERVICE) LIMITED

We have examined the accounts set out on pages three to eight.
These have been prepared under the historical cost convention.

In our opinion, these accounts give, under that convention a
true and fair view of the state of affairs of the Company at
the 31st July, 1978 and of the profit and source and application
of funds of the Company for the year to that date and comply
with the Companies Acts 1948 and 1967.

11th January, 1979

4, Guildford Road,
Woking, Surrey.

Menzies Middleton Hawkins

MENZIES MIDDLETON HAWKINS & CO.
Chartered Accountants.

GUY SALMON (SERVICE) LIMITED31ST JULY, 1978BALANCE SHEET

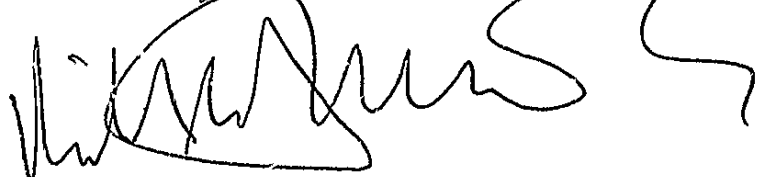
		<u>1978</u>	<u>1977</u>
	Notes	£	£
<u>EMPLOYMENT OF CAPITAL</u>			
	1	1,492,018	1,305,624
<u>FIXED ASSETS</u>			
<u>CURRENT ASSETS</u>			
Sundry debtors and payments in advance		292,857	147,564
Amount due from holding company		80,876	-
Cash in hand		2,300	2,000
		<u>376,033</u>	<u>149,564</u>
<u>CURRENT LIABILITIES</u>			
Sundry creditors and accrued charges		144,957	102,851
Amounts due to holding and fellow subsidiary companies		4,086	66,758
Bank overdraft		<u>148,236</u>	<u>159,134</u>
		<u>297,279</u>	<u>328,743</u>
<u>NET CURRENT ASSETS/(LIABILITIES)</u>		<u>78,754</u>	<u>(179,179)</u>
		<u>1,570,772</u>	<u>1,126,445</u>
<u>REPRESENTING:-</u>			
<u>SHARE CAPITAL</u>			
Authorised, issued and fully paid 100 ordinary shares of £1 each		100	100
<u>REVENUE RESERVE</u>			
Profit and Loss account		313,622	160,943
		<u>313,722</u>	<u>161,043</u>
<u>SHAREHOLDERS FUNDS</u>			
		759,750	638,902
<u>LOANS</u>	7	497,300	326,500
<u>DEFERRED TAXATION</u>	2	<u>1,570,772</u>	<u>1,126,445</u>

The notes on pages 6 to 8 form part of these Accounts.

G.F. Salmon

R.G. Salmon

DIRECTORS



GUY SALMON (SERVICE) LIMITEDPROFIT AND LOSS ACCOUNTYEAR ENDED 31ST JULY, 1978

		<u>1978</u>	<u>1977</u>
	<u>Notes</u>	£	£
<u>RENTALS RECEIVABLE</u>	3	1,256,989	800,449
<u>PROFIT BEFORE TAXATION</u>		323,479	247,331
After charging:-			
Auditors remuneration		5,000	3,000
Bank interest		3,847	1,020
Depreciation etc.		283,227	108,950
Directors emoluments	4	21,407	19,183
Loan interest on loans repayable within 5 years		62,336	42,567
Motor vehicle hire costs		19,290	18,304
<u>(LOSS) ON SALE OF SHARES</u>		-	(122)
<u>Less:- Taxation</u>	5	323,479 170,800	247,259 132,648
<u>PROFIT AFTER TAXATION</u>		152,679	114,611
Balance brought forward		160,943	46,332
<u>BALANCE CARRIED FORWARD</u>		313,622	160,943

The notes on pages 6 to 8 form part of these Accounts.

GUY SALMON (SERVICE) LIMITEDSTATEMENT OF SOURCE AND APPLICATION OF FUNDSYEAR ENDED 31ST JULY, 1978

	<u>1978</u>		<u>1977</u>	
	£	£	£	£
<u>SOURCE OF FUNDS</u>				
<u>PROFIT BEFORE TAXATION</u>		323,479		247,381
Adjustment for items not involving the movement of funds:-				
Depreciation etc.		283,227		108,950
<u>TOTAL GENERATED FROM OPERATIONS</u>		606,706		356,331
<u>FUNDS FROM OTHER SOURCES</u>				
Sale of fixed assets	1,460,735		836,770	
Sale of shares	-		2,311	
		1,460,735		839,081
		2,067,441		1,195,412
<u>APPLICATION OF FUNDS</u>				
Taxation paid/irrecoverable	-		948	
Purchase of fixed assets	1,930,356		1,569,322	
Purchase of shares	-		2,433	
		1,930,356		1,572,703
<u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>				
Sundry debtors and payments in advance	145,293		71,455	
Inter group loan accounts	143,548		60,963	
Sundry creditors and accrued charges	(42,106)		(63,176)	
Loans	(120,848)		(413,168)	
	125,887		(343,926)	
Movement in net liquid funds:-				
Net cash and bank balances	11,198	137,085	(33,365)	(377,291)
		2,067,441		1,195,412

GUY SALMON (SERVICE) LIMITEDYEAR ENDED 31ST JULY, 1978NOTES TO THE ACCOUNTSACCOUNTING POLICIES

The company's accounting policies are:-

i) RENTALS RECEIVABLE represent the total amount receivable from the hire of motor vehicles.

ii) DEPRECIATION is calculated on the following bases:-

Fixtures, Fittings and Plant - 20% per annum on written down value

Motor Vehicles - on the difference between cost and a balance sheet date valuation, if less than cost

Expenditure on leasehold premises - 5% per annum on cost.

Profits and losses on the disposal of fixed assets are included in the depreciation charge for the year.

iii) DEFERRED TAXATION provision is made on the liability method at 52% for taxation deferred by reason of taxation allowances on fixed assets in excess of the comparable depreciation charged in the Accounts to date.

No provision is made for Corporation tax on Capital Gains which may arise should assets be sold in excess of their present book values.

GUY SALMON (SERVICE) LIMITEDNOTES TO THE ACCOUNTS (CONTINUED)YEAR ENDED 31ST JULY, 19781. FIXED ASSETS

	<u>Total</u>	<u>Motor</u>	<u>Fixtures and</u>	<u>Leasehold</u>
	<u>£</u>	<u>Vehicles</u>	<u>Fittings</u>	<u>Premises</u>
<u>Cost:-</u>				
At 1st August 1977	1,434,433	1,388,963	28,766	16,704
Additions	1,930,356	1,926,847	2,431	1,078
Disposals	(1,557,344)	(1,557,344)	-	-
At 31st July 1978	<u>1,807,445</u>	<u>1,758,466</u>	<u>31,197</u>	<u>17,782</u>
<u>Depreciation:-</u>				
At 1st August 1977	128,809	117,944	9,338	1,527
Provided this year	302,056	296,794	4,372	890
Released on disposals	(115,438)	(115,438)	-	-
At 31st July 1978	<u>315,427</u>	<u>299,300</u>	<u>13,710</u>	<u>2,417</u>
<u>Net Book Values:-</u>				
At 31st July 1978	<u>1,492,018</u>	<u>1,459,166</u>	<u>17,487</u>	<u>15,365</u>
At 1st August 1977	<u>1,305,624</u>	<u>1,271,019</u>	<u>19,428</u>	<u>15,177</u>

2. DEFERRED TAXATION

	<u>£</u>	<u>£</u>
Balance at 1st August 1977	326,500	194,800
Transfer from Profit and Loss Account	<u>170,800</u>	<u>131,700</u>
Balance at 31st July 1978	<u>497,300</u>	<u>326,500</u>

3. RENTALS RECEIVABLE

Rentals receivable represents the total amount receivable from the hire of motor vehicles.

4. DIRECTORS REMUNERATION

The emoluments of the Chairman for the financial year were £Nil (1977 £Nil).

The emoluments of the highest paid director for the financial year were £11,074 (1977 £9,894) (including pension contributions £1,507 1977 £1,644)

The emoluments of other directors fell in the following ranges:-

	<u>1978</u>	<u>1977</u>
NIL to £2,500	-	1
£5,001 to £7,500	-	1
£10,001 to £12,500	1	-

GUY SALMON (SERVICE) LIMITEDNOTES TO THE ACCOUNTS (CONTINUED)YEAR ENDED 31ST JULY, 1978

<u>5. TAXATION</u>	<u>1978</u>	<u>1977</u>
	£	£
Transfer to Deferred Taxation Account	170,800	131,700
Taxation debtor written back	-	9.18
As per Profit and Loss Account	<u>170,800</u>	<u>132,648</u>

The 'close' Company provisions of the Income and Corporation Taxes Act 1970 apply to the Company.

6. HOLDING COMPANY

Guy Salmon (Service) Limited is a wholly owned subsidiary of Guy Salmon Limited, a company incorporated in England.

<u>7. LOANS</u>	<u>1978</u>	<u>1977</u>
	£	£
<u>Repayable within 5 years</u>		
i) Directors loan, interest free, repayable on demand	4,750	1,902
ii) Other unsecured loan, repayable on demand	5,000	7,000
iii) Loans secured by floating charges over the company's assets or those of subsidiaries	750,000	630,000
	<u>759,750</u>	<u>638,902</u>

8. GUARANTEE

The company has guaranteed loans made to the parent company which amounted to £250,000 at 31st July 1978 (1977 £150,000) and which is the subject of a subordinate charge on the assets of Guy Salmon (Service) Limited.