

415008/28

1.

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, 1976.

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 throughout the year and their interests in the shares of the holding company were as follows:-

G. F. Salmon - Chairman	91,885 Ordinary Shares
R. G. Salmon	26,136 Ordinary Shares
I. Page-Ratcliff	25,936 Ordinary Shares

Mr. I. Page-Ratcliff ceased to be a director in December, 1976.

AUDITORS

Messrs. Menzies Middleton Hawkins & Co., have expressed their willingness to continue in office.

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 six. These have been prepared under the historical cost convention.

In our opinion these accounts give, under the accounting convention stated above, a true and fair view of the state of affairs of the company at the 31st July, 1976 and of the profit for the year ended on that date, and comply with the Companies Acts 1948 and 1967.

22nd December, 1976.

4, Guildford Road,
Woking, Surrey.

MENZIES MIDDLETON HAWKINS & CO.
Chartered Accountants

<u>BALANCE SHEET</u>		<u>GUY SALMON (SERVICE) LIMITED</u>		<u>31ST JULY, 1976</u>	
		<u>1 9 7 6</u>		<u>1 9 7 5</u>	
<u>EMPLOYMENT OF CAPITAL</u>	<u>Notes</u>	£	£	£	£
<u>FIXED ASSETS</u>	1		682,022		349,223
<u>LOAN SECURED BY DEBENTURE</u>			-		15,000
<u>CURRENT ASSETS</u>					
Stock		-		4,173	
Sundry debtors and payments in advance		76,109		64,550	
Amount due from fellow subsidiary company		122		-	
Amounts due from holding and fellow subsidiary companies		-		4,704	
Cash in hand		451		100	
		<u>76,682</u>		<u>73,527</u>	
<u>CURRENT LIABILITIES</u>					
Sundry creditors and accrued charges		39,675		40,046	
Amounts due to holding and fellow subsidiary companies		127,843		56,698	
Corporation tax payable		-		1,137	
Bank overdraft (secured)		124,220		127,551	
		<u>291,738</u>		<u>225,432</u>	
<u>NET CURRENT LIABILITIES</u>			(215,056)		(151,905)
			<u>466,966</u>		<u>212,318</u>
<u>REPRESENTING:-</u>					
<u>SHARE CAPITAL</u>					
Authorised, issued and fully paid 100 Ordinary Shares of £1 each		100	100	100	100
<u>REVENUE RESERVE</u>					
Profit and Loss Account			46,332		37,018
<u>SHAREHOLDERS FUNDS</u>			46,432		37,118
<u>LOANS</u>	8		225,734		-
<u>CORPORATION TAX EQUALISATION ACCOUNT</u>	2		194,800		175,200
			<u>466,966</u>		<u>212,318</u>

The notes on pages five and six form part of these accounts

R. G. SALMON)
G. SALMON) DIRECTORS

GUY SALMON (SERVICE) LIMITEDPROFIT AND LOSS ACCOUNTYEAR ENDED 31ST JULY, 1976

		<u>1 9 7 6</u>		<u>1 9 7 5</u>	
	<u>Notes</u>	£	£	£	£
<u>RENTALS RECEIVABLE</u>	3		310,420		202,180
			<u> </u>		<u> </u>
<u>PROFIT BEFORE TAXATION</u>			41,330		38,454
After charging:-					
Directors emoluments	4	14,217		6,411	
Auditors remuneration		1,450		1,000	
Loan interest on loans repayable within 5 years		15,756		6,978	
Depreciation and loss on sale of motor vehicles		65,801		42,478	
Depreciation of fixtures and fittings		3,369		500	
Motor vehicle hire costs		12,378		15,200	
		<u> </u>		<u> </u>	
<u>PROFIT ON SALE OF SHARES</u>			2,584		
<u>Less: Taxation</u>	5		(19,600)		(19,148)
			<u> </u>		<u> </u>
<u>PROFIT AFTER TAXATION</u>			24,314		19,306
<u>Less: Irrecoverable portion of Debenture written off</u>			15,000		12,498
			<u> </u>		<u> </u>
Balance brought forward		37,018	9,314	31,347	6,808
Prior year adjustments					
Corporation tax payable		-		1,137	
Tax relief on losses given to group companies		-		-	
		<u> </u>	37,018	<u> </u>	30,210
<u>BALANCE CARRIED FORWARD</u>			46,332		37,018
			<u> </u>		<u> </u>

The notes on pages five and six form part of these Accounts.

GUY SALMON (SERVICE) LIMITEDNOTES TO THE ACCOUNTS

YEAR ENDED 31ST JULY, 1976

<u>1. FIXED ASSETS</u>	<u>Total</u>	<u>Motor Vehicles</u>	<u>Fixtures and Fittings</u>	<u>Leasehold Premises</u>
	£	£	£	£
Cost:-				
At 31st July, 1975	357,634	354,830	2,804	
Additions	716,612	687,779	15,155	13,678
Disposals	(324,253)	(324,253)		
At 31st July, 1976	<u>749,993</u>	<u>718,356</u>	<u>17,959</u>	<u>13,678</u>
Depreciation:-				
At 31st July, 1975	8,411	7,299	1,112	-
Provided this year	61,418	57,365	3,369	684
Released on disposals	(1,858)	(1,858)		
At 31st July, 1976	<u>67,971</u>	<u>62,806</u>	<u>4,481</u>	<u>684</u>
Net Book Values:-				
At 31st July, 1976	<u>682,022</u>	<u>655,550</u>	<u>13,478</u>	<u>12,994</u>
At 31st July, 1975	<u>349,223</u>	<u>347,531</u>	<u>1,692</u>	<u>-</u>
<u>2. CORPORATION TAX EQUALISATION RESERVE</u>			£	
Balance at 1st August, 1975			175,200	
Transfer from Profit and Loss Account			19,600	
Balance at 31st July, 1976			<u>194,800</u>	
<u>3. RENTALS RECEIVABLE</u>				
Rentals receivable represents the total amount receivable from the hire of motor vehicles.				
<u>4. DIRECTORS REMUNERATION</u>		<u>1976</u>		<u>1975</u>
Emoluments of Chairman		NIL		NIL
Emoluments of highest paid Director		<u>8,144</u>		<u>6,411</u>

Other Directors whose remuneration fell in the following ranges:-

NIL to £2,500	1	-
£2,501 to £5,000	1	-

GUY SALMON (SERVICE) LIMITEDNOTES TO THE ACCOUNTS (CONTINUED)YEAR ENDED 31ST JULY, 1976

5. <u>TAXATION</u>	<u>1976</u> <u>£</u>	<u>1975</u> <u>£</u>
Transfer to Corporation Tax Equalisation Reserve	(19,600)	(44,700)
<u>Less:</u> Tax relief on losses given to group companies	<u>-</u>	<u>25,552</u>
As per Profit and Loss Account	<u>(19,600)</u>	<u>(19,148)</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.

7. SUBSIDIARY COMPANY

The company acquired a subsidiary company, Flanacourt Ltd., during the year. Flanacourt Ltd, did not trade during the year. The net assets of £100 were equal to the purchase price paid. In the circumstances consolidated accounts have not been produced.

8. LOANS

Of the total loans outstanding, £200,000 was secured by a floating charge on the assets of the company.