

BRITISH VEHICLE RENTAL
AND
LEASING ASSOCIATION LIMITED

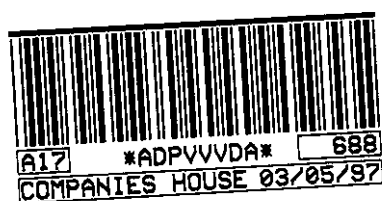
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1996

Company Number: 924401

River Lodge
Badminton Court
Amersham
Buckinghamshire

INDEX

	<u>Page</u>
Committee of Management Report	1 & 2
Auditors' Report	3
Income and Expenditure Account	4
Balance Sheet	5
Notes on Financial Statements	6 - 9
Detailed Income and Expenditure Account	10 & 11



BRITISH VEHICLE RENTAL AND LEASING ASSOCIATION LIMITED

COMMITTEE OF MANAGEMENT REPORT

The Members of the Committee of Management present their Annual Report on the affairs of the company together with the financial statements and report of the auditors for the year ended 31st December 1996.

Principal activity

The principal activity of the company continues to be the representation of Members involved in the provision of vehicle rental, leasing, contract hire and fleet management services.

Results

The results for the year are as follows:

	£
Accumulated surplus at 1st January 1996	171925
Surplus for the year after taxation	131652
	<hr/>
Accumulated surplus as at 31st December 1996	303577
	<hr/>

The surplus for the year arises from the disposal of the Association's office premises in Chichester.

Constitution

The Members of the Committee of Management are individual Members or representatives of incorporated bodies which are Members. The Members of the Committee at 31st December 1996 were:

President:	F.H. Aldous	
Chairman:	A. O'Kelly	
Vice Chairman:	N.M. Brown	
Committee:	P. Grime	S.P.A. Kerr
	J.S. Leigh	S.G. Thompson
	L.F. Clayton	R.G. Macey
	C. McLean	K.F. Dyer
	D. Galloway	T.C.B. Nunn
	J. Hodges	D.J. Smith

T.N. Pykett resigned from the committee on 28th March 1996.

No Member of the Committee received any remuneration during the year from the company. In accordance with the Articles of Association, one third of the Members retire and, being eligible, offer themselves for re-election.

Donations

The company made a charitable donation of £5000.

BRITISH VEHICLE RENTAL AND LEASING ASSOCIATION LIMITED

COMMITTEE OF MANAGEMENT REPORT (CONTINUED)

Committee of Management's responsibilities for the preparation of the financial statements

The Committee is required by the Companies Act 1985 to prepare financial statements which 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 surplus or deficit for the year. The Committee confirms that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the financial statements. Applicable accounting standards have been followed.

The Committee is also required to maintain adequate accounting records, and is responsible for taking reasonable steps to safeguard the company's assets and to prevent or detect fraud and other irregularities.

Auditors

Messrs. Watling & Hirst have expressed their willingness to continue in office as our auditors and a motion will be proposed at the Annual General Meeting to be held on 19th March 1997 to re-appoint them as auditors.


Small company exemptions

This report has been prepared taking advantage of the special exemptions applicable to small companies, conferred by Part II of Schedule 8 to the Companies Act 1985.

Registered Office:

River Lodge,
Badminton Court,
Amersham,
Buckinghamshire.

Date: 30th January 1997


BY ORDER OF THE COMMITTEE
N.J. Donkin - Secretary General

AUDITORS' REPORT TO THE MEMBERS OF

BRITISH VEHICLE RENTAL AND LEASING ASSOCIATION LIMITED

We have audited the financial statements on pages 4 to 9, which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of the Committee of Management and auditors

As described on page 2, the Committee of Management is 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 Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company, consistently applied and adequately disclosed.

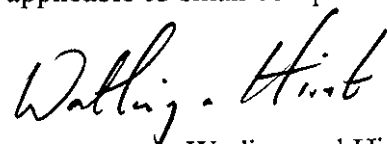
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 affairs of the company at 31st December 1996 and of the surplus for the year then ended and have been properly prepared in accordance with those provisions of the Companies Act 1985 that are applicable to small companies.

10, West Pallant,
Chichester,
West Sussex.

Date: 30th January 1997



Watling and Hirst
Chartered Accountants
& Registered Auditors

BRITISH VEHICLE RENTAL AND LEASING ASSOCIATION LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1996

	Note	1996 £	1995 £
Income		829429	786338
Cost of providing services - Recurring cost		(793854)	(796467)
- Exceptional relocation expenses	2	(45247)	-
		<hr/>	<hr/>
Operating deficit	2	(9672)	(10129)
Surplus on sale of fixed assets		139088	-
		<hr/>	<hr/>
Surplus/(deficit) on operating activities before interest		129416	(10129)
Other interest receivable and similar income		3322	20459
		<hr/>	<hr/>
Surplus before taxation		132738	10330
Taxation charge	4	(1086)	(3842)
		<hr/>	<hr/>
Net surplus after taxation		131652	6488
Accumulated surplus brought forward		171925	165437
		<hr/>	<hr/>
Accumulated surplus carried forward		303577	171925
		<hr/>	<hr/>

Income and surplus before taxation for both 1995 and 1996 derive entirely from continuing operations.

The company has no recognised gains and losses other than those dealt with in the income and expenditure account.

The accompanying notes set out on pages 6 to 9 are an integral part of these financial statements.

BALANCE SHEET AT 31ST DECEMBER 1996

- 5 -

BRITISH VEHICLE RENTAL AND LEASING ASSOCIATION LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

Note

1 Accounting policies

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

- a) The basis of accounting
The financial statements are prepared under the historical cost convention.
- b) Tangible fixed assets
Tangible fixed assets are shown at original historical cost.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of fixed assets on a straight line basis over their estimated useful lives as follows:

Freehold building	- 50 years (2% per annum)
Furniture, fittings & equipment	- 5 years (20% per annum)
Computer equipment	- 4 years (25% per annum)

- c) Deferred taxation
Tax deferred or accelerated by the effect of timing differences is accounted for, using the liability method, to the extent that it is probable that a liability or asset will crystallise.
- d) Subscription income
Subscription income is included in the financial statements on the basis of amounts receivable for the year, net of value added tax and refunds.
- e) Pension scheme
The cost of providing pensions for secretariat staff is recognised in the income and expenditure account as the contributions payable for the period.

2 Operating deficit

The deficit for the year before taxation is stated after charging:

	1996 £	1995 £
Depreciation	33123	13429
Auditors' remuneration	3500	3500
	<u> </u>	<u> </u>

During the year the company moved from Chichester to Amersham. Exceptional relocation expenses of £45247 were incurred in this move.

3 Pension scheme

The company operates a defined contribution pension scheme for secretariat staff. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The pension cost charge for the year was £27585.

At 31st December 1996 there were outstanding contributions of £2000 (1995: NIL).

BRITISH VEHICLE RENTAL AND LEASING ASSOCIATION LIMITED**NOTES ON FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST DECEMBER 1996 (CONTINUED)****Note**

4	Taxation	1996 £	1995 £
	UK Corporation Tax	1086	3842

The gain on sale of the company's former office building will be rolled-over against the purchase of the new freehold. No deferred tax liability has been recorded in respect of this matter because the new building will be held for the foreseeable future and the gain is therefore not expected to crystallise.

5 Tangible fixed assets

	Freehold Land and Buildings £	Furniture, Fittings and Equipment £	Computer Equipment £	Total £
Cost:				
At 1st January 1996	80488	53583	61879	195950
Additions	462761	41237	34876	538874
Disposals	(76818)	(31124)	(34053)	(141995)
At 31st December 1996	466431	63696	62702	592829
Depreciation:				
At 1st January 1996	13750	44608	45863	104221
Charge for the year	7929	10007	15187	33123
Disposals	(13677)	(28339)	(33542)	(75558)
At 31st December 1996	8002	26276	27508	61786
Net book value:				
At 31st December 1996	458429	37420	35194	531043
At 31st December 1995	66738	8975	16016	91729
Net book value of non-depreciable assets included in the above				
At 31st December 1996	70000	-	-	-
At 31st December 1995	26818	-	-	-

The value of non-depreciable freehold land at 31st December 1996 has been estimated, as no split of the purchase price of the new office building is available.

The company has an agreed overdraft facility of £150000. The use of this facility is secured against the freehold of River Lodge, Badminton Court, Amersham.

BRITISH VEHICLE RENTAL AND LEASING ASSOCIATION LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1996 (CONTINUED)

Note

6 Debtors

	1996	1995
	£	£
Trade debtors	30534	19623
Prepayments and accrued income	15437	11684
Deferred tax	2000	2000
	<hr/>	<hr/>
	47971	33307
	<hr/>	<hr/>

Deferred tax included in the above total for debtors is recoverable after more than one year.

7 Creditors: amounts falling due within one year

	1996	1995
	£	£
Payments received on account (subscriptions etc.)	131753	117117
Trade creditors	44289	23883
Corporation Tax	1086	3842
Other taxes and Social Security	30956	15320
Accruals and deferred income	87380	45018
	<hr/>	<hr/>
	295464	205180
	<hr/>	<hr/>

8 Liability limited by guarantee

The company is a Trade Association limited by guarantee. Every Member has undertaken to contribute up to £1 in the event of the winding up of the company.

BRITISH VEHICLE RENTAL AND LEASING ASSOCIATION LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1996 (CONTINUED)

Note

9 Capital commitments

There were no capital commitments at 31st December 1996 (1995: £420000).

10 Contingent liabilities

There were no contingent liabilities at 31st December 1996 or 31st December 1995.

BRITISH VEHICLE RENTAL & LEASING ASSOCIATION LIMITED

DETAILED INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1996

Subscriptions & Other Income

Subscriptions:

- Ordinary members
- Group members
- Associate members
- Bank interest

Direct Cost of Services to Members

- External affairs
- Services to members
- Statistical survey
- Communications
- European affairs
- Technical & legal activities
- Maintenance of Association standards
- Hire fleet protection
- Education & training
- Members facilities

Indirect Cost of Services to Members

- * Salaries & pensions
- Rates, heat, light & insurance
- Cleaning, maintenance & repairs
- Equipment maintenance
- * General print & stationery and software
- * Committee meetings - travel & subsistence
- Bank charges
- Sundry expenses
- * General legal & professional fees
- Audit fee
- Staff training
- * Depreciation property & furniture
- Donations

(* Costs not otherwise directly allocated)

Net cost of providing these services to Members

Deficit after providing these services - carried forward

Income £	Expenses £	Net £	1995 £
263264		263264	242816
49743		49743	40255
54447		54447	51573
3322		3322	20459
<u>370776</u>		<u>370776</u>	<u>355103</u>
-	60308	(60308)	(57987)
7586	55191	(47605)	(54561)
1495	21309	(19814)	(16666)
-	16313	(16313)	(22958)
-	23242	(23242)	(22116)
1936	72922	(70986)	(160206)
34	26924	(26890)	(34924)
28737	16976	11761	16012
16717	19759	(3042)	8420
166248	81899	84349	85977
			(120493)
			(10360)
			(3201)
			(4713)
			(13769)
			(12221)
			(1267)
			(2193)
			(4860)
			(3500)
			(280)
			(5478)
			(5000)
	258374	(258374)	(446344)
		(430464)	
		(59688)	(91241)

BRITISH VEHICLE RENTAL & LEASING ASSOCIATION LIMITED

DETAILED INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1996 (CONTINUED)

	Income £	Expenses £	Net £	1995 £
Deficit after providing these services - brought forward			(59688)	(91241)
Commercial Activities				
Vehicle Rental & Leasing magazine	53147	43843	9304	29374
Seminars & conferences	16724	11432	5292	3397
Functions & events	138416	79639	58777	51186
Publishing & other products	30935	5723	25212	17614
	<u>239222</u>	<u>140637</u>	<u>98585</u>	<u>101571</u>
Net surplus on commercial activities				
Totals of income & expenditure	<u>832751</u>	<u>793854</u>		
Surplus before relocation expenses			38897	10330
Surplus on sale of property net of exceptional relocation costs			93841	-
Surplus before taxation			<u>132738</u>	<u>10330</u>