

**HOULTS HOLDINGS LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS**

**31 MARCH 1997**

**Company Number 1389885**



## HOULTS HOLDINGS LIMITED

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 1997

The directors submit their report and the audited accounts of the company for the year ended 31 March 1997.

#### REVIEW OF THE BUSINESS

The company acts as a holding company for a number of companies whose principal activities during the year were the provision of storage services, the holding and letting of property and motor dealerships.

#### RESULTS AND DIVIDEND

The company has not traded during the year and has consequently made neither a profit nor a loss. In addition, the company has had no cash transactions during the year. Hence no cash flow statement has been prepared. The directors recommend that no dividend be paid (1996 - £Nil).

#### DIRECTORS

The following directors served during the year:

FW Hoult (Chairman)  
Mrs PA Hoult

The company's Articles of Association do not require any of the directors to retire.

#### DIRECTORS' INTERESTS

The interests of the directors in the £1 Ordinary Shares of the company were as follows:

	<u>31 March 1997</u>	<u>31 March 1996</u>
FW Hoult	70,213	70,213
Mrs PA Hoult	4,000	4,000
	<u>      </u>	<u>      </u>

In addition to the beneficial interests noted above, the directors had the following non-beneficial interests as trustees:

	<u>31 March 1997</u>	<u>31 March 1996</u>
FW Hoult and Mrs PA Hoult	9,787	9,787
Mrs PA Hoult	16,000	16,000
	<u>      </u>	<u>      </u>

## **HOULTS HOLDINGS LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are required by law to prepare financial statements for each financial year 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 profit or loss and cash flows of the company for that period.

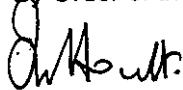
The directors confirm that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, in the preparation of the financial statements for the year ended 31 March 1997. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for maintaining adequate accounting records, for safeguarding the assets of the company and for taking reasonable steps to prevent and detect fraud and other irregularities.

#### **AUDITORS**

The auditors, Price Waterhouse, have expressed their willingness to continue in office and resolutions to re-appoint them and to authorise the directors to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Board



FW HOULT  
Chairman

10 December 1997

*Price Waterhouse*



**AUDITORS' REPORT TO THE DIRECTORS OF HOULTS HOLDINGS LIMITED  
PURSUANT TO SECTION 248(3) OF THE COMPANIES ACT 1985**

We have examined the financial statements of the company and each of its subsidiaries for the year ended 31 March 1997.

**Basis of opinion**

The scope of our work for the purpose of this report was limited to confirming that the company is entitled to exemption from preparing group financial statements.

**Opinion**

In our opinion the company is entitled to the exemption from preparing group accounts conferred by section 248 of the Companies Act 1985.

*Price Waterhouse*

**PRICE WATERHOUSE**  
Chartered Accountants  
and Registered Auditors

10 December 1997

*Price Waterhouse*



## **AUDITORS' REPORT TO THE SHAREHOLDERS OF HOULTS HOLDINGS LIMITED**

We have audited the financial statements on pages 5 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

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

As described on page 2 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 as at 31 March 1996 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

**PRICE WATERHOUSE**  
Chartered Accountants  
and Registered Auditors

10 December 1997

# **HOULTS HOLDINGS LIMITED**

## **BALANCE SHEET - 31 MARCH 1997**

	1997	1996
	£	£
<b>FIXED ASSETS</b>		
Investments (Note 2)	652,595	652,595
<b>CURRENT ASSETS</b>		
Debtors (Note 3)	651,278	651,278
<b>CREDITORS (amounts falling due within one year) (Note 4)</b>	(732,341)	(732,341)
<b>NET CURRENT LIABILITIES</b>	(81,063)	(81,063)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	571,532	571,532
<b>CREDITORS (amounts falling due after more than one year) (Note 5)</b>	(435,818)	(435,818)
	£135,714	£135,714
<b>CAPITAL AND RESERVES</b>		
Called up share capital (Note 6)	100,000	100,000
Profit and loss account (Note 7)	10,714	10,714
Capital redemption reserve (Note 9)	25,000	25,000
	£135,714	£135,714

The financial statements on pages 5 to 8 were approved by the directors on 10 December 1997 and are signed on their behalf by:

FW Hoult  
  
 Director

# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1997

### 1 ACCOUNTING POLICIES

#### (a) Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. The principal accounting policies adopted within that convention are set out below.

#### (b) Fixed asset investments

Fixed asset investments are stated at cost, except where, in the opinion of the directors, there is a permanent impairment in value.

#### (c) Deferred taxation

Provision is made on the liability basis only if a deferred taxation liability is likely to become payable in the foreseeable future.

### 2 FIXED ASSET INVESTMENTS

	<u>1997</u>	<u>1996</u>
Shares in group undertakings	£652,595	£652,595
	<u>=====</u>	<u>=====</u>

Details of the company's holding in group undertakings.

<u>Principal subsidiary undertaking</u>	<u>Country of Incorporation and operation</u>	<u>Principal activity</u>	<u>Proportion of shares held</u>
Wheelers of Cramlington Limited	England	Motor dealership	75%*
Wheelers of Gosforth Limited	England	Motor dealership	75%
Hoults (Estates) Limited	England	Letting of property	100%
Hoults Limited	England	Dormant	100%
Hoults (London) Limited	England	Non-trading	100%
Lock-n-Store Limited	England	Dormant	100%
Hoults (Cumberland) Limited	England	Dormant	100%
Hoults (South West) Limited	England	Dormant	100%

\* Represents an indirect holding.

# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1997 (continued)

### 3 DEBTORS

	<u>1997</u>	<u>1996</u>
Amounts due from subsidiaries	£651,278	£651,278
	<u>          </u>	<u>          </u>

Included in amounts due from subsidiaries is a balance of £75,000 due from Wheelers of Gosforth which is due after more than one year.

### 4 CREDITORS (amounts falling due within one year)

	<u>1997</u>	<u>1996</u>
Amounts due to subsidiary undertakings	731,341	731,341
Accruals and deferred income	1,000	1,000
	<u>          </u>	<u>          </u>
	£732,341	£732,341
	<u>          </u>	<u>          </u>

### 5 CREDITORS (amounts falling due after more than one year)

	<u>1997</u>	<u>1996</u>
Loan from subsidiary undertaking	£435,818	£435,818
	<u>          </u>	<u>          </u>

The loan from a subsidiary undertaking is interest-free and is repayable at a date to be mutually agreed, subject to a minimum of twelve months notice being given by the subsidiary undertaking.

### 6 CALLED UP SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted and fully paid</u>	
	<u>1997</u>	<u>1996</u>	<u>1997</u>	<u>1996</u>
Ordinary shares of £1	£125,00	£125,000	£100,000	£100,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 7 PROFIT AND LOSS ACCOUNT

As at 1 April 1996 and 31 March 1997	<u>£10,714</u>
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During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during the year the company made neither a profit nor a loss.



## HOULTS HOLDINGS LIMITED

### NOTES TO THE ACCOUNTS - 31 MARCH 1997 (continued)

#### 8 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	£
Shareholders' funds at 1 April 1996 and 31 March 1997	135,714
	<u>          </u>

#### 9 CAPITAL REDEMPTION RESERVE

The capital redemption reserve of £25,000 was set up on the redemption of £25,000 10% redeemable convertible preferred ordinary shares for £50,000 in the year ended 31 March 1987.

#### 10 CAPITAL COMMITMENTS

There was no capital expenditure authorised or contracted for at 31 March 1997 (1996: £Nil).

#### 11 CONTINGENT LIABILITY AND SUBSEQUENT EVENTS

Hoults Holdings Limited has entered into a guarantee with General Motors Acceptance Corporation (UK) Limited, whereby Hoults Holdings Limited has agreed to guarantee all amounts due to General Motors Acceptance Corporation (UK) Limited by Wheelers of Cramlington Limited and Wheelers of Gosforth Limited, subsidiary companies.

Hoults Holdings Limited has also entered into a guarantee with Lombard North Central PLC whereby Hoults Holdings Limited has agreed to guarantee amounts due to Lombard North Central PLC by Wheelers of Gosforth Limited to a maximum of £253,600 jointly and severally with Hoults Estates Limited, Wheelers of Cramlington Limited and Mr John Bennett.

On 1 October 1997 Wheelers of Cramlington Limited sold certain freehold land and property, fixed assets and the parts stock to Reg Vardy Plc for £737,000.