

HOULTS HOLDINGS LIMITED

COMPANIES HOUSE

DIRECTORS' REPORT AND ACCOUNTS

20 DEC 1991

M

12

31 March 1991

1389885

Company Number 1389885

# HOULTS HOLDINGS LIMITED

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 1991

The directors submit their report and the audited accounts of the company and the group for the year ended 31 March 1991.

### 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, the carrying on of a farming trade and the ownership of a retail garage. The farming interest was disposed of during the year.

### RESULTS AND DIVIDEND

The results for the year are set out in the profit and loss account on page 4. The directors recommend that no dividend be paid on the company's ordinary shares.

### DIRECTORS

The following directors served during the year:

FW Houl  
Mrs B Houl  
Mrs PA Houl

The company's articles of association do not require any of the directors to retire.

It is with great sadness that the directors report the death of Mrs B Houl on 22 June 1990.

### DIRECTORS' INTERESTS

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

	<u>31 March 1991</u>	<u>31 March 1990</u>
FW Houl	70,213	70,213
Mrs PA Houl	4,000	4,000

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

	<u>31 March 1991</u>	<u>31 March 1990</u>
FW Houl and Mrs PA Houl	9,787	9,787
Mrs PA Houl	16,000	16,000

HOULTS HOLDINGS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 1991 (continued)

TANGIBLE FIXED ASSETS

Movements in tangible fixed assets during the year are set out in Note 7 to the accounts.

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



25 October 1991



**We have audited the financial statements on pages 4 to 16 in accordance with Auditing Standards.**

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 31 March 1991 and of the profit and source and application of funds of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Pier Waterline

**Chartered Accountants  
and Registered Auditor**

25 October 1991

# HOULTS HOLDINGS LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1991

	<u>1991</u>	<u>1990</u>
TURNOVER (Note 1(d) & 3)	3,421,119	3,264,307
Cost of sales	(2,792,444)	(2,673,394)
GROSS PROFIT	628,755	590,913
Administrative expenses	(521,375)	(456,318)
Other operating income	11,200	12,109
OPERATING PROFIT	118,580	146,704
Loss on write off of fixed asset investment	(10,000)	-
Income from fixed asset investments	13,278	7,031
Interest payable and similar charges	(45,677)	(59,392)
Interest receivable and similar income	43,736	21,363
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (Note 2)	119,917	115,706
TAX ON PROFIT ON ORDINARY ACTIVITIES (Note 4)	(44,794)	(20,096)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	75,123	95,610
EXTRAORDINARY ITEM (Note 5)	15,856	-
	90,979	95,610
MINORITY INTEREST (Note 6)	(3,265)	(6,538)
PROFIT FOR THE FINANCIAL YEAR AVAILABLE TO THE MEMBERS OF HOULTS HOLDINGS LIMITED SET ASIDE TO RESERVES (Note 15)	<u>£87,714</u>	<u>£89,052</u>

# HOULTS HOLDINGS LIMITED

## CONSOLIDATED BALANCE SHEET - 31 MARCH 1991

	1991	1990
<b>FIXED ASSETS</b>		
Tangible fixed assets	598,958	899,938
(Note 1(b) & 7)	123,447	124,367
Investments (Note 1(e) & 8)		10,000
Interest in farming partnership	722,405	1,034,305
<b>CURRENT ASSETS</b>		
Bank deposit	454,000	225,000
Stock (Note 1(i) and 9)	235,705	227,885
Debtors (Note 10)	247,328	247,308
Cash at bank and in hand	3,900	2,587
	941,023	702,780
<b>CREDITORS (amounts falling due within one year)</b>		
(Note 11)	(401,840)	(385,862)
<b>NET CURRENT ASSETS</b>	539,183	316,918
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	1,261,583	1,351,223
<b>CREDITORS (amounts falling due after more than one year)</b>		
(Note 12)	(167,494)	(347,961)
<b>PROVISIONS FOR LIABILITIES AND CHARGES (Note 13)</b>	(2,032)	(2,179)
	£1,092,057	£1,001,083
<b>CAPITAL AND RESERVES</b>		
Called up share capital	100,000	100,000
(Note 14)	286,157	286,157
Capital reserve		
Profit and loss account	528,966	441,242
(Note 15)		
Capital redemption reserve	25,000	25,000
(Note 15)	112,612	112,612
Revaluation reserve (Note 16)	30,337	36,072
Minority interest (Note 6)		
	£1,092,057	£1,001,083

# HOULTS HOLDINGS LIMITED

## BALANCE SHEET - 31 MARCH 1991

	1991	1990
<b>FIXED ASSETS</b>		
Investments (Note 8)	652,595	652,595
<b>CURRENT ASSETS</b>		
Cash in hand		18
<b>CREDITORS (amounts falling due within one year) (Note 11)</b>	(156,063)	(156,039)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	496,532	496,574
<b>CREDITORS (amounts falling due after more than one year) (Note 12)</b>	(360,818)	(360,818)
	<u>£135,714</u>	<u>£135,756</u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital (Note 14)	100,000	100,000
Profit and loss account (Note 15)	10,714	10,756
Capital redemption reserve (Note 15)	25,000	25,000
	<u>£135,714</u>	<u>£135,756</u>

The financial statements on pages 4 to 16 were approved by the directors on 25 October 1991 and are signed on their behalf by:

FW Hoult

*FW Hoult*

Director

*Peter Hoult*

# HOULTS HOLDINGS LIMITED

## CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 31 MARCH 1991

### SOURCE OF FUNDS

PROFIT AFTER EXTRAORDINARY ITEM  
BEFORE TAXATION LESS  
MINORITY INTERESTS

1991

1990

153,639

109,148

Adjustment for items not  
involving the movement of  
funds:

Depreciation

20,215

16,617

(Profit)/Loss on disposal of fixed  
assets

(1,706)

2,335

(4,964)

Loss/(Profit) on disposal of investments  
(Profit) on disposal of farming  
interests

7,474

(15,895)

Minority interest in the  
retained profits for the year

3,265

6,558

Provision for reduction in  
value UK quoted investments

5,150

13,302

25,696

167,031

134,844

Total generated by operations

### OTHER SOURCES OF FUNDS

Proceeds on disposal of  
investments

8,679

32,957

Proceeds on disposal of  
fixed assets and farming interests

371,666

7,600

6,274

Loans received

380,345

46,831

547,376

181,676

### APPLICATION OF FUNDS

Purchase of fixed assets

(63,327)

(23,978)

Purchase of investments

(15,233)

(54,608)

Loans repaid

(174,566)

(7,201)

Taxation paid

(22,125)

(11,084)

(275,251)

(96,841)

272,125

84,834

### (INCREASE)/DECREASE IN WORKING CAPITAL

Debtors

(12,408)

(20,567)

Stocks

(7,520)

(60,465)

Creditors

(61,220)

103,769

(81,448)

27,668

£190,677

£112,502

### INCREASE IN NET LIQUID FUNDS



# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1991

### 1 ACCOUNTING POLICIES

The accounting policies followed for items which are judged material or critical in determining the results for the year and in stating the financial position are set out below.

#### (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) Tangible fixed assets

Freehold property is stated at cost. Depreciation is charged on a straight line basis so as to write off the cost of the assets over their estimated useful lives using the following rates per annum:

Freehold property	2%
Motor vehicles	20%
Furniture and equipment	20%

#### (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.

#### (d) Turnover

Turnover arising wholly in the UK, which is exclusive of value added tax, represents rents receivable, the invoiced value of storage services provided the invoiced value of motor vehicles, petrol, oil, accessories and motor repairs and the group's share of the profit arising from the farming trade carried on in partnership.

#### (e) 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.

#### (f) Stocks

Stock represents motor vehicles, petroleum and vehicle parts held for resale stated at the lower of cost and net realisable value.

#### (g) Pension costs

The group makes pension contributions on behalf of certain senior employees of subsidiary companies. Pension costs are charged to the profit and loss account in the year in which they are incurred.

# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1991 (continued)

### 2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging/(crediting):

	<u>1991</u>	<u>1990</u>
Staff costs:	310,734	287,903
Wages and salaries	26,511	25,125
Social security costs	3,420	2,920
Other pension costs	20,757	16,617
Depreciation	(1,896)	2,335
(Profit)/Loss on sale of tangible fixed assets	(2,526)	(4,964)
(Profit) on sale of investments	9,500	8,500
Auditors' remuneration	10,558	7,921
Bank overdraft and short term loan interest	34,820	47,223
Other interest payable	(43,156)	(21,363)
Bank and other interest receivable	-	(503)
Consutancy fees receivable	-	5,150
Reduction in value of UK quoted investments	10,000	-
Write off of fixed asset investment	-	-

The remuneration of the directors of the holding company during the period was £NIL (1990 £NIL). The remuneration of directors of the holding company who were also directors of subsidiary companies during the period is disclosed in those company accounts.

### 3 TURNOVER

	<u>1991</u>	<u>1990</u>
Turnover for the year, arising wholly in the United Kingdom comprised:		
Income from motor vehicle franchise	3,033,095	2,881,627
Rental income from letting of properties	368,762	327,837
Sale of storage services	-	43,678
Farming income	14,342	11,165
	<u>3,421,119</u>	<u>3,264,307</u>

# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1991 (continued)

### 4 TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge for the year on ordinary activities comprises:

	<u>1991</u>	<u>1990</u>
Current year:	38,870	39,645
Corporation tax	4,013	(11,073)
Deferred taxation	2,163	1,804
Tax credit on franked investment income	-	(10,991)
ACT recoverable	-	-
Prior year adjustment:	(8,480)	711
Corporation tax	8,228	-
Deferred taxation	-	-
	<u>£44,794</u>	<u>£20,096</u>

### 5 EXTRAORDINARY ITEM

	<u>1991</u>	<u>1990</u>
Profit on sale of farming interests	36,087	-
Tax charge thereon	(21,131)	-
	<u>£14,956</u>	<u>-</u>

The tax charge on the capital gain arising on the extraordinary item has been calculated at 34%.

### 6 MINORITY INTEREST

Minority interest comprises a 25% interest in the ordinary share capital of Wheelers of Gostorth Limited (formerly John Dixon (Pier & Remover) Limited) which is a 75% subsidiary of Hoult's Holdings Limited.

# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1991 (continued)

### 7 TANGIBLE FIXED ASSETS

	Freehold farm land and building	Freehold property	Motor vehicles	Furniture and equipment	Total
<b>COST OR VALUATION</b>					
At 1 April 1990	338,973	594,120	23,076	72,724	1,028,893
Additions	-	11,849	2,500	48,978	63,327
Disposals	(338,973)	-	(8,200)	(1,804)	(348,977)
At 31 March 1991	-	605,969	17,376	119,898	743,243
Comprising:					
Cost	-	319,579	17,376	119,898	456,853
1978 valuation	-	286,390	-	-	266,390
At 31 March 1991	-	605,969	17,376	119,898	743,243
<b>DEPRECIATION</b>					
At 1 April 1990	-	71,781	5,962	51,212	128,955
Charge for the year	-	7,748	3,900	8,567	20,215
Disposals	-	-	(3,280)	(1,605)	(4,885)
At 31 March 1991	-	79,529	6,582	58,174	144,285
Comprising:					
Amount based on cost	-	7,233	6,582	58,174	71,995
Amount based on 1978 valuation	-	72,296	-	-	72,296
At 31 March 1991	-	79,529	6,582	58,174	144,285
<b>NET BOOK AMOUNT</b>					
At 31 March 1991	-	£526,440	£10,794	£61,724	£598,958
At 31 March 1990	£338,973	£522,530	£17,114	£21,512	£899,039

No provision is made for depreciation in respect of the freehold farm building as, in the opinion of the directors, its market value is in excess of cost, and these properties are regularly maintained to a high standard.

# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1991 (continued)

### 7 TANGIBLE FIXED ASSETS (continued)

On 12 February 1991 the freehold property Wheelers of Gosforth Limited, a subsidiary company, was revalued by Sanderson Townend and Gilbert Chartered Surveyors at open market value as follows:

Valuation at 1 April 1990	142,924
Revaluation (Note 18)	<u>107,076</u>
Revaluation amount at 31 March 1991	£250,000

A liability of £62,500 to corporation tax on capital gains would arise if the freehold property was sold at its open market value.

### 8 FIXED ASSET INVESTMENTS

	Group		Company	
	1991	1990	1991	1990
Shares in group undertakings at cost	-	-	652,595	652,595
Other UK quoted investments	123,447	114,367	-	-
Unquoted investments	-	10,000	-	-
	<u>£123,447</u>	<u>£124,367</u>	<u>£652,595</u>	<u>£652,595</u>
Market value of quoted investments at 31 March 1991	<u>£129,636</u>			

The movement on UK quoted investments comprised the following at cost:

At 1 April 1990	114,367
Additions	15,233
Disposals	<u>(6,153)</u>
At 31 March 1991	<u>£123,447</u>

A liability to corporation tax of NIL (1990) - £7,500 on capital gains would arise if the quoted investments were sold at their market value.

# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1991 (continued)

### 8 FIXED ASSET INVESTMENT (continued)

A liability of £Nil (1990 - £2,500) to corporation tax on capital gains would arise if the quoted investments were to be sold at their market value.

Details of the company's holding in group undertakings, all of which are incorporated in Great Britain, are as follows:

	<u>Holding</u>	<u>Activities</u>
Hoults Limited	100%	Provision of storage service
Hoults Estates Limited	100%	Holding and letting of properties
Hoults (London) Limited	100%	Dormant
Wheeler of Gosforth Limited	75%	Motor vehicle dealership

### 9 STOCKS

	<u>Group</u>		<u>Company</u>	
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
New and used vehicle stocks	189,541	176,119	-	-
Petrol, oil and accessories	46,161	51,766	-	-
	<u>£235,705</u>	<u>£227,885</u>	<u>£-</u>	<u>£-</u>

### 10 DEBTORS

	<u>Group</u>		<u>Company</u>	
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
Trade debtors	107,857	107,857	-	-
Prepayments and accrued income	12,062	13,669	-	-
Other debtors	109,211	113,374	-	-
Deferred taxation	-	12,368	-	-
	<u>£217,323</u>	<u>£217,308</u>	<u>£-</u>	<u>£-</u>

The provision for deferred taxation relates to short term timing differences and represents the full potential asset.

The debtors are all receivable within one year.

# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1991 (continued)

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

	Group		Company	
	1991	1990	1991	1990
Bank loan and overdraft	67,735	34,231	-	-
Trade creditors	180,652	168,627	-	-
Amounts owed to group undertakings	-	-	155,063	155,039
Accruals and deferred income	37,503	88,594	1,000	1,000
Corporation tax	66,137	34,579	-	-
Other taxation and social security	12,742	11,041	-	-
Other creditors	37,077	48,790	-	-
	<u>£401,840</u>	<u>£385,862</u>	<u>£156,063</u>	<u>£156,039</u>

The group's bank borrowings are secured by fixed and floating charges over its assets (Note 12).

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

	Group		Company	
	1991	1990	1991	1990
Loan from subsidiary company	-	-	360,818	360,818
Bank loans				
- repayable between 1-2 years	15,960	15,960	-	-
- repayable between 2-5 years	148,214	207,920	-	-
- repayable in 5 years or more	-	118,561	-	-
Other loan	3,360	5,500	-	-
	<u>£167,494</u>	<u>£347,961</u>	<u>£360,818</u>	<u>£360,818</u>

Loans repayable in 2-5 years include a loan of £149,194 (1990 : £175,875) which is secured by a first mortgage held by Barclays Bank PLC on the property and fixed assets of Wheelers of Gosforth Limited, a group undertaking, and a fixed charge over the debtors and a floating charge over all the other assets and undertakings of that company.

The loan from a subsidiary company 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 company.

# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1991 (continued)

### 13 PROVISIONS FOR LIABILITIES AND CHARGES

The amount provided and the potential liability for deferred taxation not provided in respect of the group are as follows:

	<u>1991</u>		<u>1990</u>	
	<u>Provided</u>	<u>Potential liability</u>	<u>Provided</u>	<u>Potential liability</u>
Accelerated capital allowances and short term timing differences	2,032	-	2,179	1,073
Taxation arising on surplus on property revaluation in the subsidiaries	-	105,000	-	105,000
	<u>£2,032</u>	<u>£105,000</u>	<u>£2,179</u>	<u>£106,073</u>

### 14 CALLED UP SHARE CAPITAL

	<u>Authorised</u>		<u>Alotted and fully paid</u>	
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
Ordinary shares of £1	£125,000	£125,000	£100,000	£100,000



# HOULTS HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1991 (continued)

### 15 RESERVES

#### a) PROFIT AND LOSS ACCOUNT

	<u>Group</u>	<u>Company</u>
Balance at 1 April 1990	441,242	10,756
Retained profit for the year	87,714	(42)
Balance at 31 March 1991	<u>£528,956</u>	<u>£10,714</u>

The holding company has not presented its own profit and loss account as permitted by Section 228(7) of the Companies Act 1985. The company's loss after taxation was £42 (1990 - profit £10,643).

#### b) 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 at £50,000 in the year ended 31 March 1987.

### 16 EMPLOYEES

The average number of persons employed by the group during the year was 36 (1990 - 37).

### 17 CAPITAL COMMITMENTS

There was no capital expenditure authorised or contracted for at 31 March 1991 (1990: £Nil).