

**Evans Halshaw Vehicle
Management Services Limited**

Directors' report and financial statements

Year ended 31 December 1995

Registered number 1552702



Evans Halshaw Vehicle Management Services Limited

Directors' report and financial statements

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Evans Halshaw Vehicle Management Services Limited

Directors' report

The directors have pleasure in submitting their report and financial statements for the year ended 31 December 1995.

Principal activity

The principal activity of the company is holding investments in subsidiary and associated undertakings which are involved in the provision of vehicle management services.

Business review

The state of the company's affairs and its trading result for the year are as shown in the accompanying financial statements.

Results and dividends

The directors recommend the payment of a dividend for the year of £200,000 (1994: £Nil).

The retained profit for the year of £Nil (1994: £29,669) is to be transferred to reserves.

Fixed assets

A summary of the changes in investments is given in note 3 to the financial statements.

Directors and directors' interests

The directors who held office during the year were as follows:

AG Dale	(resigned 31 December 1995)
AE Keeler	(resigned 17 May 1995)
CDE Cameron	

Mr AB Archer and Mr AF Smith were appointed directors of the company on 1 January 1996.

No director had any beneficial interests in the shares of the company at any time during the year.

Mr CDE Cameron is a director of the ultimate parent undertaking, Evans Halshaw Holdings plc, and his interests in the shares of group undertakings are disclosed in the financial statements of that company.

Directors' insurance

The company maintains an insurance policy providing an indemnity for the directors of the ultimate parent undertaking, to the extent permitted by law, against liabilities arising from negligence, default or breach of trust in relation to the company.

Evans Halshaw Vehicle Management Services Limited

Directors' report (*continued*)

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the board



AJ Pitt
Secretary

4 Highlands Court
Cranmore Avenue
Shirley
Solihull
West Midlands
B90 4LE

21 May 1996



2 Cornwall Street
Birmingham
B3 2DL

Auditors' report to the members of Evans Halshaw Vehicle Management Services Limited

We have audited the financial statements on pages 4 to 9.

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 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

21 May 1996



Evans Halshaw Vehicle Management Services Limited

Profit and loss account

for the year ended 31 December 1995

	<i>Note</i>	1995 £	1994 £
Income from fixed asset investments		200,000	-
Release of provision against investment		-	29,669
		<hr/>	<hr/>
Profit on ordinary activities before taxation	<i>1</i>	200,000	29,669
Tax on profit on ordinary activities		-	-
		<hr/>	<hr/>
Profit on ordinary activities after taxation		200,000	29,669
Dividends proposed		(200,000)	-
		<hr/>	<hr/>
Retained profit for the financial year		-	29,669
		<hr/>	<hr/>

The company has no recognised gains or losses (1994: £Nil) other than those reflected in its profit and loss account.

The profit and loss account is prepared on an unmodified historical cost basis.

Movements in shareholders' funds are shown in note 8.

Evans Halshaw Vehicle Management Services Limited

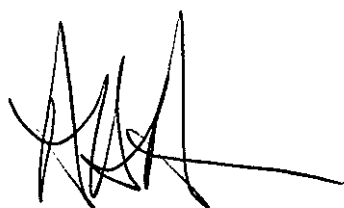
Balance sheet

at 31 December 1995

	Note	1995	1994
		£	£
Fixed assets			
Investments	3	389,927	389,927
Current assets			
Debtors	4	200,000	-
Creditors: Amounts falling due within one year	5	<u>(284,856)</u>	<u>(84,856)</u>
Net current liabilities		<u>(84,856)</u>	<u>(84,856)</u>
Total assets less current liabilities		305,071	305,071
Creditors: Amounts falling due after more than one year	6	<u>(164,384)</u>	<u>(164,384)</u>
Net assets		<u>140,687</u>	<u>140,687</u>
Capital and reserves			
Called up share capital	7	50,000	50,000
Profit and loss account		<u>90,687</u>	<u>90,687</u>
Shareholders' funds		<u>140,687</u>	<u>140,687</u>

These financial statements were approved by the board of directors on 21 May 1996 and were signed on its behalf by:

AB Archer
Director



Evans Halshaw Vehicle Management Services Limited

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

Goodwill

Goodwill is written off to reserves as and when it arises.

Investments

Investments are stated at cost less provision for permanent diminution in value.

Deferred taxation

Deferred taxation, arising on differences between the treatment of certain items for accounting and taxation purposes, is accounted for to the extent that a liability or an asset is expected to crystallise within the foreseeable future.

Evans Halshaw Vehicle Management Services Limited

Notes

(forming part of the financial statements)

1 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after crediting:

	1995 £	1994 £
Release of provision against investment	-	29,669

2 Employees

The company has no employees other than the directors listed in the directors' report (1994: £Nil).

3 Investments

	Subsidiary undertakings £	Associated undertaking £	Total £
(i) Shares at cost and net book value			
At beginning of year	50,000	107,140	157,140
Intra-group transfer	27,363	-	27,363
At end of year	77,363	107,140	184,503
(ii) Loans			
At beginning of year	232,787	-	232,787
Intra-group transfer	(27,363)	-	(27,363)
At end of year	205,424	-	205,424
Total			
At beginning and end of year	282,787	107,140	389,927

Evans Halshaw Vehicle Management Services Limited

Notes (continued)

3 Investments (continued)

The company's subsidiary and associated undertakings, which are all registered in England and Wales, are as follows:

	Class and percentage of shares held
Finance Lease Limited (non-trading)	Ordinary 100%
Carentals Limited (non-trading)	Ordinary 100%
Car Fleet Control Inc (non-trading)	Ordinary 100%
Fleet Cost Management Limited (formerly Vehicle Information Services Limited)	Ordinary 50%

The investment in Car Fleet Control Inc was transferred from a fellow group undertaking during the year.

Group financial statements are not produced as the company was at the end of the year, a wholly owned subsidiary undertaking of Evans Halshaw Holdings plc and accordingly these financial statements are those of the company. In the opinion of the directors, the investments in and amounts due from the company's group undertakings are worth at least the amounts at which they are stated in the financial statements.

4 Debtors

	1995 £	1994 £
Dividends receivable from subsidiary undertakings	<u>200,000</u>	<u>-</u>

5 Creditors: Amounts falling due within one year

	1995 £	1994 £
Accruals and deferred income	84,856	84,856
Proposed dividend	<u>200,000</u>	<u>-</u>
	<u>284,856</u>	<u>84,856</u>

Evans Halshaw Vehicle Management Services Limited

Notes (continued)

6 Creditors: Amounts falling due after more than one year

	1995	1994
	£	£
Amounts owed to group undertakings:		
Amount owed to subsidiary undertaking	164,284	164,284
Amount owed to parent undertaking	100	100
	<u>164,384</u>	<u>164,384</u>

The amounts owed to group undertakings represent permanent loans which are interest free and would not in the ordinary course of business be repayable.

7 Share capital

	1995	1994
	£	£
<i>Authorised, allotted, called up and fully paid:</i>		
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

8 Reconciliation of movements in shareholders' funds

	1995	1994
	£	£
Shareholders' funds at beginning of year	140,687	253,018
Profit for the year	200,000	29,669
Goodwill written off	-	(142,000)
Dividends proposed	<u>(200,000)</u>	<u>-</u>
Shareholders' funds at end of year	<u>140,687</u>	<u>140,687</u>

9 Ultimate parent undertaking

The company's ultimate parent undertaking is Evans Halshaw Holdings plc, a company registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Evans Halshaw Holdings plc. The consolidated financial statements of Evans Halshaw Holdings plc are available to the public and may be obtained from:

4 Highlands Court
Cranmore Avenue
Shirley
Solihull
West Midlands
B90 4LE

No other group financial statements include the results of the company.