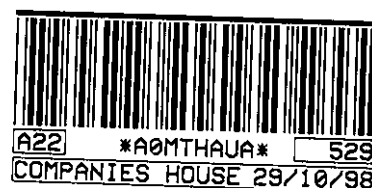


**VAUXHALL PROPERTIES LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 1997**



# **VAUXHALL PROPERTIES LIMITED**

## **Board of Directors**

M Hund-Mejean  
K J Benjamin  
D O'Mahony

## **Secretary and Registered Office**

D McCrum  
Griffin House  
Osborne Road  
Luton  
Bedfordshire  
LU1 3YT

## **Auditors**

Deloitte & Touche

## **Bankers**

Lloyds Bank Plc

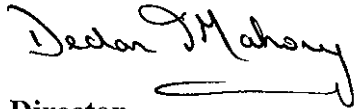
# VAUXHALL PROPERTIES LIMITED

## NOTICE OF MEETING

Notice is hereby given that the eighth Annual General Meeting of the Company will be held at the Registered Office, Griffin House, Osborne Road, Luton, on 2 March 1998 for the purpose of transacting the following business :-

1. To receive and consider the Financial Statements for the year ended 31 December 1997, together with the reports of the Directors and Auditors thereon.
2. To reappoint Deloitte & Touche as Auditors of the Company and to authorise the Directors to determine their remuneration.
3. To transact any other ordinary business.

**By Order of the Board**

  
Director

**2 March 1998**

# **VAUXHALL PROPERTIES LIMITED**

## **DIRECTORS' REPORT**

The Directors of Vauxhall Properties Limited, ("the Company"), submit their Annual Report and the Audited Financial Statements of the Company for the year ended 31 December 1997.

## **PRINCIPAL ACTIVITIES**

The Company is a property investment company. All the properties owned by the Company are occupied by its parent company.

## **FINANCIAL REVIEW**

Pre tax profit for the year amounted to £16.9 million (1996 £18.2 million) which, after a tax charge of £nil (1996 £14.2 million) resulted in net profit after tax of £16.9 million (1996 £4.0 million). No dividends were declared (1996 £nil).

## **VALUATION OF TANGIBLE FIXED ASSETS**

The Directors consider that the market value of tangible fixed assets is not materially different from their cost.

## **AUDITORS**

In accordance with section 384 of the Companies Act 1985, a resolution proposing the reappointment of Deloitte & Touche as Auditors of the Company will be put to the Annual General Meeting. In addition a further resolution will be put to the Meeting authorising the Directors to determine the Auditors' remuneration.

# **VAUXHALL PROPERTIES LIMITED**

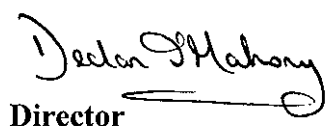
## **DIRECTORS**

The present members of the Board of Directors are shown on page 2.

Ms M Hund-Mejean was appointed on 8 May 1997.

The Directors had no interests at any time during the year in the shares of Vauxhall Properties Limited, nor any other company within the UK group.

**By Order of the Board of Directors  
and signed on behalf of the Board**

  
**Director**


**2 March 1998**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

As Directors we are required under company 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 of the Company for that year. In preparing those financial statements, we 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable us to ensure that the financial statements comply with the Companies Act 1985. We are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**Director**

**2 March 1998**

# **VAUXHALL PROPERTIES LIMITED**

## **AUDITORS' REPORT TO THE MEMBERS OF VAUXHALL PROPERTIES LIMITED**

We have audited the financial statements on pages 8 to 13 which have been prepared under the accounting policies set out on page 10.

### **Respective responsibilities of Directors and Auditors**

As described on page 6 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.

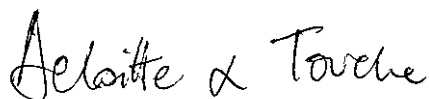
### **Basis of Opinion**

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 affairs of the Company as at 31 December 1997 and of the profit of the Company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Deloitte & Touche**  
**Chartered Accountants and Registered Auditors**  
**Hill House**  
**1 Little New Street**  
**London**  
**EC4A 3TR**

**2 March 1998**

**VAUXHALL PROPERTIES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**

	<u>Notes</u>	<u>1997</u> <u>£000</u>	<u>1996</u> <u>£000</u>
Turnover			
Rental Income		<u>15,481</u>	<u>16,540</u>
Cost of Sales			
Depreciation on Fixed Assets	6	(2,636)	(2,636)
Loss on sale of Fixed Assets		(6)	-
		<u>(2,642)</u>	<u>(2,636)</u>
<b>Operating Profit</b>		<b>12,839</b>	<b>13,904</b>
Interest Receivable	4	<u>4,035</u>	<u>4,271</u>
<b>Profit on Ordinary Activities Before Taxation</b>		<b>16,874</b>	<b>18,175</b>
Taxation	5	-	(14,200)
<b>Profit on Ordinary Activities After Taxation and Transferred to Reserves</b>	11	<u><b>16,874</b></u>	<u><b>3,975</b></u>

All activities derive from continuing operations.

During the current and preceding financial years there have been no gains or losses other than those recognised in the profit and loss account and consequently no Statement of Recognised Gains and Losses has been prepared.

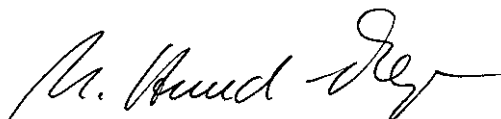
There are no movements in shareholders' funds other than the recognised gains and losses for the current and preceding financial years and consequently no Reconciliation of Movements in Shareholders' Funds has been prepared.



**VAUXHALL PROPERTIES LIMITED**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 1997**

	<u>Notes</u>	<u>1997</u> <u>£000</u>	<u>1996</u> <u>£000</u>
<b>Tangible Fixed Assets</b>	6	<u>105,567</u>	<u>108,402</u>
<b>Current Assets</b>			
Debtors	7	62,710	58,487
Cash		3	-
		<u>62,713</u>	<u>58,487</u>
<b>Creditors - Deferred Income</b>			
Amounts falling due within one year	8	<u>677</u>	<u>15,483</u>
<b>Net Current Assets</b>		<u>62,036</u>	<u>43,004</u>
<b>Total Assets Less Current Liabilities</b>		<u>167,603</u>	<u>151,406</u>
<b>Creditors - Deferred Income</b>			
Amounts falling due after more than one year	8	<u>-</u>	<u>677</u>
		<u>167,603</u>	<u>150,729</u>
<b>Capital and Reserves</b>			
Called Up Share Capital	10	124,000	124,000
Profit and Loss Account	11	<u>43,603</u>	<u>26,729</u>
<b>Equity Shareholders' Interests</b>		<u>167,603</u>	<u>150,729</u>

The financial statements on pages 8 to 13 were approved by the Board of Directors on 2 March 1998 and are signed on its behalf by :-

  
**M Hund-Mejean**  
**Director**

## NOTES TO THE ACCOUNTS

### 1. Accounting Policies

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

#### Accounting Basis

The financial statements are prepared under the historical cost convention.

#### Fixed Assets

The cost of all tangible fixed assets, other than freehold land, is written off over the estimated useful lives on a straight line basis.

For the major asset categories asset lives are as follows :-

Freehold land improvements and buildings	25 years
No depreciation is provided on land.	

Leasehold property is written off at rates appropriate to the period of the lease or at 4 per cent per annum, whichever is the greater.

#### Deferred Taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rates at which it is anticipated the tax will arise.

#### Cash Flow Statement

The Company has taken advantage of the exemption granted in Financial Reporting Standard 1 (revised) not to produce a Cash Flow Statement, since its immediate parent company, Vauxhall Motors Limited, produces a consolidated Cash Flow Statement including the cash flow of the Company.

### 2. Emoluments of Directors

No Directors received any emoluments from the Company in the current and preceding financial years.

### 3. Administrative Expenses and Employee Costs

Auditors' remuneration is borne by the parent company.

The Company had no employees or associated costs in the current and preceding financial years.

NOTES TO THE ACCOUNTS

4. Interest Receivable

	<u>1997</u> <u>£000</u>	<u>1996</u> <u>£000</u>
Interest receivable from parent company	4,024	4,271
Interest receivable from group undertaking	10	-
Interest from cash deposits held at banks	1	-
	<u>4,035</u>	<u>4,271</u>

5. Taxation

	<u>1997</u> <u>£000</u>	<u>1996</u> <u>£000</u>
Adjustment in respect of prior years - group relief	-	14,200

There is no current year tax charge due to the availability of group relief.

6. Tangible Fixed Assets

	<u>Freehold land and buildings</u> <u>£000</u>	<u>Long leasehold land and buildings</u> <u>£000</u>	<u>Total</u> <u>£000</u>
Cost at 1 January 1997	97,154	26,846	124,000
Disposals	(201)	-	(201)
At 31 December 1997	<u>96,953</u>	<u>26,846</u>	<u>123,799</u>
Depreciation at 1 January 1997	12,667	2,931	15,598
Amount provided in the year	2,141	495	2,636
Disposals	(2)	-	(2)
At 31 December 1997	<u>14,806</u>	<u>3,426</u>	<u>18,232</u>
Net book value at 31 December 1997	<u>82,147</u>	<u>23,420</u>	<u>105,567</u>
Net book value at 31 December 1996	<u>84,487</u>	<u>23,915</u>	<u>108,402</u>

Included within freehold land and buildings is land at cost of £43,629,000 not subject to depreciation.

# VAUXHALL PROPERTIES LIMITED

## NOTES TO THE ACCOUNTS

### 7. Debtors

	<u>1997</u> <u>£000</u>	<u>1996</u> <u>£000</u>
Loan to Ultimate UK Parent and accrued interest	62,684	58,465
Other debtors	26	22
	<u>62,710</u>	<u>58,487</u>

### 8. Creditors - Deferred Income

	<u>1997</u> <u>£000</u>	<u>1996</u> <u>£000</u>
Prepaid rent received from parent company:		
due within one year	677	15,483
due after more than one year	-	677
	<u>677</u>	<u>16,160</u>

### 9. Provisions for Liabilities and Charges

#### Deferred Taxation

There were no deferred taxation provisions at the end of 1997 (1996 £nil).

The amounts of unprovided deferred taxation are as follows:-

	<u>1997</u> <u>£000</u>	<u>1996</u> <u>£000</u>
Potential tax payable on disposal of properties transferred from parent company	23,389	25,312
Less: other timing differences	(210)	(5,333)
	<u>23,179</u>	<u>19,979</u>

# VAUXHALL PROPERTIES LIMITED

## NOTES TO THE ACCOUNTS

### 10. Called Up Share Capital

	<u>1997</u> <u>£000</u>	<u>1996</u> <u>£000</u>
Authorised, allotted and fully paid 124,000,105 ordinary shares of £1 each	<b>124,000</b>	124,000
	_____	_____

### 11. Reserves

	<u>Profit and</u> <u>Loss Account</u> <u>£000</u>
Balance at 1 January 1997	<b>26,729</b>
Retained profit for the financial year	<b>16,874</b>
	_____
Balance at 31 December 1997	<b>43,603</b>
	_____

### 12. Related Party Disclosures

The ultimate controlling entity of the Company is General Motors Corporation, a company registered in the State of Delaware USA. The Financial Statements of General Motors Corporation are available from General Motors Building, 3044 West Grand Boulevard, Detroit, Michigan 48202.

The immediate controlling entity of the Company is Vauxhall Motors Limited, a company registered in England and Wales. Accounts of the Company can be obtained from Mr K J Benjamin, Griffin House, Osborne Road, Luton, Bedfordshire, LU1 3YT.

The Company is taking advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard 8 not to disclose transactions with General Motors Corporation group companies who are related parties.