

TRANSFLEET TRUCK RENTALS LIMITED

Report of the Directors and Accounts

For 16 Months Ended 30 September 1986



# TRANSFLEET TRUCK RENTALS LIMITED

## Directors

A E Keeler (Chairman)

G Black

D A Galloway

M J Noel

M H M Ogle

J G Woodhouse

R J Young

Transfleet Truck Rentals Limited is registered in England No 1920441  
Registered Office: 17 Connaught Place, London, W2 2EL

# TRANSFLEET TRUCK RENTALS LIMITED

## Report of the Directors

The Directors have pleasure in submitting their report, together with the accounts for the 16 months ended 30 September 1986.

### Activities

The principal activity of the company is that of short term rental of commercial vehicles.

### Business Review

The profit on ordinary activities before taxation was £215,642  
The tax charge on profit on ordinary activities amounted to £98,172  
leaving a profit after tax for the financial period of £117,470.

The company was incorporated on 7 June 1985 as Tarkingford Limited. On the 27 June 1985 a special resolution was passed to change the name of the company to Transfleet Truck Rentals Limited. Transfleet Truck Rentals Limited commenced trading on 1 October 1985, on which date the business and assets employed by the Company's holding company in the short term rental of commercial vehicles were acquired by the Company. Trading performance was good throughout the period and the Directors expect that growth of the Company will be achieved in future years.

### Directors

The members of the Board are shown on page 1.

Mr S C Dixon resigned from the Board on 9 April 1986 and Mr D A Galloway was appointed to the Board on 24 July 1986.

### Donations

No charitable donations were made during the period.

### Directors' Interests

According to the register kept by the company, the Directors' interests in the share and loan capital of National Westminster Bank PLC were as follows:-

	<u>Ordinary Shares of £1 each</u>	
	<u>30 September 1986</u>	<u>7 June 1985</u>
G Black	-	-
S C Dixon	-	-
A E Keeler	3244	1207
	3800*	1747*
D A Galloway	-	-
M J Noel	-	-
J G Woodhouse	951	841
	1169*	358*
R J Young	-	-
M H M Ogle	-	211

\*Held by Trustees of the National Westminster Bank PLC Group 1979 Profit Sharing Scheme.

In addition, Mr J G Woodhouse has been granted options under the National Westminster Bank PLC Savings Related Share Option Schemes 1974 and 1981 to subscribe for the following:-

	<u>Ordinary Shares of £1 each</u>	
	<u>30 September 1986</u>	<u>7 June 1985</u>
J G Woodhouse		
At £2.58 per share	-	604
At £5.40 per share	-	411
At £3.42 per share	649	-
At £4.61 per share	481	-

### Fixed Assets

The changes in fixed assets are summarised in note 3 to the accounts.

### Auditors

A resolution for the re-appointment of Peat, Marwick, Mitchell & Co. as Auditors is to be proposed at the Annual General Meeting.

By Order of the Board

  
Secretary

26 November 1986

REPORT OF THE AUDITORS TO THE MEMBERS OF  
TRANSFLEET TRUCK RENTALS LIMITED

We have audited the accounts on pages 5 to 11 in accordance with approved Auditing Standards.

In our opinion the accounts, which have been prepared on the basis of the accounting policies set out on page 8, give a true and fair view of the state of the company's affairs at 30 September 1986, and of its profit and source and application of funds for the 16 months to that date and comply with the Companies Act 1985.



Peat, Marwick, Mitchell & Co.

Chartered Accountants

135 Buchanan Street  
Glasgow  
G1 2JG

26<sup>th</sup> November 1986

TRANSFLEET TRUCK RENTALS LIMITED  
PROFIT AND LOSS ACCOUNT

For the 16 Months Ended 30 September 1986

	Note	16 Months Ended 30.9.86 <u>£</u>
Turnover	2	4,503,199
Less:		
depreciation		(1,553,840)
other operating charges		(2,357,577)
interest payable	6	(376,140)
		<u>(4,287,557)</u>
Profit on ordinary activities before taxation		215,642
Tax on profit on ordinary activities	7	(98,172)
		<u>117,470</u>
Profit for the Financial Period		

# TRANSFLEET TRUCK RENTALS LIMITED

## BALANCE SHEET

At 30 September 1986

	Note	<u>1986</u> <u>£</u>
<b>ASSETS</b>		
<b>FIXED ASSETS</b>		
Tangible assets	3	4,460,703
		<hr/>
		4,460,703
		<hr/>
<b>LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
Called up share capital	8	2
Profit and Loss Account	9	117,470
		<hr/>
		117,472
<b>PROVISION FOR LIABILITIES AND CHARGES</b>		
	10	790,827
<b>CREDITORS</b>		
	11	3,552,404
		<hr/>
		4,460,703
		<hr/>

A E Keeler

G Black

Directors

TRANSFLEET TRUCK RENTALS LIMITED  
STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
For the 16 Months Ended 30 September 1986

16 Months  
Ended  
30.9.86  
£

SOURCE OF FUNDS

Profit before taxation	215,642
Adjustment for non cash items:	
Depreciation	1,553,840
(Gain)/loss on sale of fixed assets	(37,312)
	1,516,528
	<hr/> 1,732,170
Funds from operations	

FUNDS FROM OTHER SOURCES

Disposal of fixed assets	209,864
Proceeds from share issue	2
	209,866
	<hr/> 1,942,036

APPLICATION OF FUNDS

Fixed assets acquired	(2,388,751)
Transfers of fixed assets from holding company (net of deferred tax)	(2,765,238)
	(5,153,989)
	<hr/> (3,211,953)

INCREASE/(DECREASE) IN WORKING CAPITAL

Inter-company accounts	(3,211,953)
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# TRANSFLEET TRUCK RENTALS LIMITED

## Notes to the Accounts

### 1. ACCOUNTING POLICIES

#### (a) Accounting Convention

The accounts have been prepared upon the basis of historical cost.

#### (b) Depreciation

Hire vehicles are depreciated to residual values on a straight line basis over periods of 3 to 5 years.

#### (c) Deferred Taxation

Deferred taxation is provided on timing differences to the extent that a taxation liability will arise in the future.

#### (d) Pensions

Lex Service PLC operates a non-contributory pension scheme covering the majority of its permanent employees seconded to Transfleet Truck Rentals Limited. The scheme's funds are administered by trustees and are independent of the Company's finances. The scheme is fully funded and contributions are paid to the scheme in accordance with the recommendations of independent actuaries. The Company's contributions are charged against profits of Transfleet Truck Rentals Limited in the period in which contributions are made.

### 2. TURNOVER

Turnover consists of the aggregate of vehicle hire income and other services invoiced during the period. All turnover was within the United Kingdom.

### 3. TANGIBLE ASSETS

	<u>1986</u>
	<u>£</u>
Hire Fleet	
Cost	
at 7.6.85	-
Additions	2,388,751
Transfers from Group Companies	5,859,774
Disposals	(690,848)
	<hr/>
at 30.9.86	7,557,677
	<hr/>
Depreciation	
at 7.6.85	-
Transfers from Group Companies	2,061,430
charge for period	1,553,840
Disposals	(518,296)
	<hr/>
at 30.9.86	3,096,974
	<hr/>
Net Book Value	
at 30.9.86	4,460,703
	<hr/>

# TRANSFLEET TRUCK RENTALS LIMITED

## Notes to the Accounts

Future Expenditure	<u>1986</u> <u>£</u>
Contracted	1,750,389
Authorised but not contracted	<u>-</u>

### 4. STAFF COSTS

All staff are employees of Lex Service PLC.

### 5. DIRECTORS' REMUNERATION

	<u>16 Months</u> <u>Ended</u> <u>30.9.86</u> <u>£</u>
Fees	Nil
Other Emoluments	Nil

The emoluments of the Chairman were nil and the emoluments of the highest paid director were nil.

None of the Directors had any material interest in any contract of significance in relation to the business of the Company.

### 6. INTEREST PAYABLE

	<u>16 Months</u> <u>Ended</u> <u>30.9.86</u> <u>£</u>
On loans from Group companies	<u>376,140</u>

### 7. TAXATION

	<u>16 Months</u> <u>Ended</u> <u>30.9.86</u> <u>£</u>
Corporation Tax at 37.5%	340,451
Deferred taxation	(242,279)
	<u>98,172</u>

# TRANSFLEET TRUCK RENTALS LIMITED

## Notes to the Accounts

### 8. SHARE CAPITAL

1986  
£

Authorised:

Ordinary shares of £1 each 1,000

Allotted and Issued:

Ordinary shares of £1 each, fully paid 2

### 9. PROFIT AND LOSS ACCOUNT

1986  
£

Surplus at 30 September 1986 117,470

### 10. PROVISION FOR LIABILITIES AND CHARGES - DEFERRED TAX

The potential liability at 35% on all timing differences which the directors consider may be payable in the foreseeable future amounts to £790,827 and is attributable to capital allowances:

1986  
£

Transferred from group company 1,033,106

Released from provision (242,279)

790,827

# TRANSFLEET TRUCK RENTALS LIMITED

## Notes to the Accounts

### 11. CREDITORS

1986  
Within  
1 Year  
£

Amounts owed to group Companies	3,211,953
Corporation tax	340,451
	<hr/>
	3,552,404
	<hr/>

### 12. ULTIMATE HOLDING COMPANY

The company is a subsidiary of Transfleet Services Ltd of which, in the opinion of the directors, the ultimate holding company is National Westminster Bank PLC, incorporated in Great Britain.

### 13. APPROVAL OF ACCOUNTS

The accounts were approved by the Directors on 26 November 1986.

22.8.86 12.19.86

H.S.B. HARRIS & SONS LTD.

DIRECTORS REPORT

for the year ended 31st August 1986

<u>DIRECTORS AND THEIR INTERESTS</u>	31.8.86	31.8.85
H.N. HARRIS	2500	2500
B. HARRIS	2500	2500

REVIEW OF OPERATIONS AND  
FUTURE DEVELOPMENTS

The Company has not traded and the only source of income has been Deposit Account Interest. There have been minor expenses as shown in the Profit and Loss Account. It is expected that the Company will recommence trading in the foreseeable future.

PROFIT, DIVIDENDS AND RESERVES

A Loss of £ 541 was incurred (1985 £ 105 ). No Dividend or Directors Fees will be paid.

FIXED ASSETS are as shown in the accounts.

APPOINTMENT OF AUDITORS It has been agreed that L.J.N. Hampton & Co. be appointed for the ensuing year.

*H.N. Harris*  
..... DIRECTOR

11th November 1986 DAYL

H.S.B.HARRIS & SONS LTD.  
BALANCE SHEET AS AT 31ST AUGUST 1986

<u>1985</u>		£	p	£	p
	<u>FIXED ASSETS</u>				
50	Motor Vehicles			50	. 00
	<u>CURRENT ASSETS</u>				
56142	Cash at Bank			59944	. 74
56192				59944	. 74
	<u>Less CURRENT LIABILITIES</u>				
3050	Sundry Creditors	3154	. 51		
1678	Directors Current Accounts	1520	. 74		
6177	10905	7333	. 75	12009	. 00
				47985	. 74

Represented by:

Share Capital

Authorised 5000 Ordinary Shares of £1 each  
5000.00

5000	Issued 5000 Ordinary £1 Shares fully paid	5000	. 00
40287	Profit and Loss Account	42985	. 74
45287		47985	. 74

*M. Harris* .....Director .. *B. Harris* .....Director

The above Balance Sheet and accompanying Profit and Loss Account for the year ended 31st August 1986 have been drawn up from the books and records kept by the company and from information and explanations furnished by the Directors and we certify that they are in accordance therewith.

33 Arboretum Road,  
WORCESTER.

11th November 1986

*L.J.N. Hampton & Co.*  
L.J.N.HAMPTON & CO.

H.S.B.HARRIS & SONS LTD.  
Profit and Loss Account  
for the year ended 31st August 1986

<u>1985</u>		£	p	£	p
	P.A.Y.E.	263	. 40		
105	Accountancy	105	. 00		
	Bank Charges	3	. 00		
	Annual Returns	170	. 00		
	105			541	. 40
	Net Loss carried down				
105	105	541	. 40	541	. 40
	4422	Deposit Account Interest		4396	. 36
105		Net Loss brought down	541 . 40		
	37458	Balance brought forward		40287	. 27
1295		Reserve for Corporation Tax	1156 . 49		
193		Legal Costs	- -		
40287		Balance carried forward	42985 . 74		
41880	41880	44683	. 63	44683	. 63