39595/29

ARNOLD CLARK FINANCE LIMITED

Directors Report

The Directors submit their Annual Report and the Audited Accounts of the Company for the year ended 31st December, 1976.

Details of the Directors and of their shareholdings in the Company, which is a subsidiary of Arnold Clark Automobiles Limited, were as follows:-

Name of Director	Shareholding as at 31st December, 1976
John A. Clark	990
W. Hunter	6

There were no changes in the above particulars during the year.

The Company's principal activity during the year comprised the Contract Hiring of Motor Vehicles.

Turnover of the Company was £665,265 (1975 £469,509) representing Hire Charges relative to the year and no part of this was earned abroad.

Profits before Taxation were £243,128 from which there has been transferred to Taxation Equalisation Reserve £126,400 (Note 1) leaving a balance of £116,728 available for distribution. The Directors recommend that no dividend be paid and that this balance be added to the balance brought forward of £197,445, giving £314,173 to be carried forward.

The Director retiring by rotation is Mr. W. Hunter, who, being eligible offers himself for re-election.

The Auditors, Messrs. John Gray & Company, Chartered Accountants, Lynton House, 13 Brown Street, Port Glasgow, have expressed their willingness to continue in Office.

By Order of the Board

Secretary.

47 Bothwell Street,
Glasgow.

29th December, 1977.

ARNOLD CLARK FINANCE LIMITED

Profit and Loss Account for the year ended 31st December, 1976

1975			
£276,055	Trading Profit for the year before charging the following:-		£381,383.62
£134,114	Depreciation	£147,242.42	
20,084	Interest	34,079.77	
2,150	Auditors Remuneration	4,650.00	
£156,348		£185,972.19	
£ 20,525	Less: Gain on Sale of Vehicles £45,716.77		
3,138	Deposit Receipt Interest		
£ 23,663		45,716.77	
£132,685			138,255.42
£144,170	Net Profit before Taxation		£243,128.20
	U.K. Taxation on Profits for year (Note 1)		
75,000	Transfer to Taxation Equalisation Reserve		126,400.00
£ 69,170	Profit for year after Taxation		£116,728.20
128,275	Balance Brought Forward		197,445.29
£197,445	Balance Carried Forward		£314,173.49

ARNOLD CLARK FINANCE LIMITED

Balance Sheet as at 31st December, 1976

1975			
£772,128	Fixed Assets As per Appendix 1		£ 926,213.48
	Current Assets		
£ 40,193	Sundry Debtors (Note 3)	£ 47,623.20	
120,791	Cash in Bank	108,173.80	
£160,984			155,797.00
£933,112	TOTAL ASSETS		£1,082,010.48
	Less		
	Current Liabilities		
£ 40,841	Sundry Creditors (Note 2)	£ 58,408.68	
3,099	Directors Loan Account	3,098.75	
40,996	Contract Hire Instalments Paid in advance	57,101.64	
226,186	Hire Purchase Outstanding	54,133.11	
£311,122			172,742.18
£621,990	NET ASSETS		£ 909,268.30
	Share Capital and Reserves		
	Share Capital		
	Authorised, Issued and Fully Paid		
£ 15,000	15,000 Ordinary Shares of £1 each		£ 15,000.00
	Reserves		
197,445	Profit and Loss Account		314,173.49
£212,445			£ 329,173.49
204,200	Taxation Equalisation Reserve		330,600.00
15,000	Loan - A. Clark's West End Motors Limited		15,000.00
190,345	Amount due to Arnold Clark Automobiles Limited		234,494.81

.... Director

.... Director

£621,990	£ 909,268.30

PORT GLASGOW - 29th December, 1977

In our opinion, the foregoing Balance Sheet and Profit and Loss Account have been properly prepared in accordance with the provisions of the Companies Acts 1948 and 1967 and give respectively a true and fair view of the state of affairs of Arnold Clark Finance Limited as at 31st December, 1976 and of the Profit for the year ended on that date.

ARNOLD CLARK FINANCE LIMITED

Year ended 31st December, 1976

Appendix 1 and Notes on Accounts

Appendix 1

Fixed Assets

Motor Vehicles on Contract Hire and Hire Drive

	Cost Price	Aggregate Depreciation	Written Down Value
As at 31st December, 1975	£ 928,870.03	£156,741.69	£ 772,128.34
Purchased During year	657,955.43	-	657,955.43
	£1,586,825.46	£156,741.69	£1,430,083.77
Sold During year	413,076.18	56,448.31	356,627.87
	£1,173,749.28	£100,293.38	£1,073,455.90
Depreciation for year	-	147,242.42	147,242.42
	£1,173,749.28	£247,535.80	£ 926,213.48

Note 1.

No Taxation is payable by the Company for the year under review as Capital Allowances are materially in excess of the depreciation charge for the year.

Note 2.

This item includes the sum of £21,891 (1975 = £21,891) due to A. Clark's West End Motors Limited, £1,167 (1975 = £987) due to Arnold Clark (Paisley) Limited and £53 (1975 = £53) due to Arnold Clark (Bearsden) Limited.

Note 3.

1975	Sundry Debtors		
£ 250	Sundry Hire Purchase Debtors		£ 97.84
£ 2,202	Hire Purchase Instalments due but unpaid	£ 2,202.31	
2,202	Less: Provision for Bad Debts	2,202.31	
£ -			
£45,183	Sundry Debtors and Prepaid Charges	£54,608.68	
5,240	Less: Provision for Bad Debts	7,083.32	
£39,943			47,525.36
£40,193			£47,623.20

ARNOLD CLARK FINANCE LIMITED

Statement of Source and Application of Funds

1976			
	Source of Funds		
£144,170	Profit before Tax		£243,128
	Adjustment for Items not involving the movement of Funds:-		
134,114	Depreciation		147,242
(20,525)	Gain on Sale of Vehicles		(45,717)
£257,759	Total generated from Operations		£344,653
205,231	Sales of Fixed Assets		402,345
£462,990			£746,998
	Application of Funds		
793,472	Purchase of Fixed Assets		657,955
(£330,482)			£ 89,043
	Increase (Decrease) in Working Capital		
£ 16,715	Increase in Debtors	£ 7,430	
(45,810)	Decrease in Cash and Bank Balances	(12,618)	
(9,596)	Increase in Sundry Creditors	(17,566)	
(25,4[illegible]7)	Increase in Contract Hire Instalments Paid in Advance	(16,105)	
(226,[illegible])	Decrease/Increase in Hire Purchase Creditors	172,052	
(40,178)	Increase in amount due to Holding Company	(44,150)	
(£330,482)			£ 89,043

SCAN UPON DEMAND

We apologise that due

to the poor quality of the fiche,

some of the images scanned

were also of poor quality