39577/26

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, 1975.

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 at 31st December, 1975
John A. Clark	980
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 £469,508 (1974 £245,617) representing Hire Charges relative to the year and no part of this was earned abroad.

Profits before Taxation were £144,170 from which there has been transferred to Taxation Equalisation Reserve £75,000 (Note 1) leaving a balance of £69,170 available for distribution. The Directors recommend that no dividend be paid and that this balance be added to the balance brought forward of £128,275, giving £197,445 to be carried forward.

The Director retiring by rotation is J. A. Clark, who, being eligible, offers himself for re-election.

The Auditors, Messrs. John Gray & Company, C.A., Lynton House, 13 Brown Street, Port Glasgow, have expressed their willingness to continue in office.

By Order of the Board

[signature]

Secretary.

67 Bothwell Street,
Glasgow.

[illegible] May, 1977.

ARNOLD CLARK FINANCE LIMITED

Trading Account for the year ended 31st December, 1975

1974			
£245,562	Hire Income		£469,508.58
55	Interest for year on advances		–
£245,617			£469,508.58
	Deduct		
£ 17,230	Wages and National Insurance	£ 35,293.46	
3,000	Contract Hire Service Charge	3,000.00	
4,312	Advertising	5,169.98	
88,680	Vehicle Repairs, Servicing etc.	106,956.35	
16,114	Road Tax and Insurance	35,607.88	
2,308	Stationery and Office Sundries	2,250.30	
1,827	Sundry Expenses	2,439.05	
1,357	Bad Debts	1,936.75	
£134,828			192,653.77
£110,789	Trading Profit carried to Profit and Loss Account		£276,854.81

ARNOLD CLARK FINANCE LIMITED

Profit and Loss Account for the year ended 31st December, 1975

1974				
£110,789	Trading Profit for the year before charging the following:-			£276,854.81
£ 41,884	Depreciation		£134,113.89	
1,219	Interest		20,084.54	
1,700	Auditors Remuneration		2,150.00	
£ 44,803			£156,348.43	
£ 13,372	Less Gain on Sale of Vehicles	£20,524.99		
-	Deposit Receipt Interest	3,138.70		
£ 13,372			23,663.69	
£ 31,431				132,684.74
£ 79,358	Net Profit before Taxation			£144,170.07
	U.K. Taxation on Profits for year (Note 1)			
41,300	Transfer to taxation Equalisation Reserve			75,000.00
£ 38,058	Profit for Year after Taxation			£ 69,170.07
90,217	Balance Brought Forward			128,275.22
£128,275	Balance Carried Forward			£197,445.29

ARNOLD CLARK FINANCE LIMITED

Balance Sheet as at 31st December, 1975

1974			
£297,476	Fixed Assets As per Appendix 1		£774,128.34
	Current Assets		
£ 23,477	Sundry Debtors (Note 3)	£ 40,192.97	
166,601	Cash in Bank	120,791.42	
£190,078			160,984.39
£487,554	TOTAL ASSETS		£935,112.73
	Less		
	Current Liabilities		
£ 31,245	Sundry Creditors (Note 2)	£ 40,841.51	
3,099	Directors Loan Account	3,098.75	
15,559	Contract Hire Instalments Paid in advance	40,996.52	
–	Hire Purchase Outstanding	226,186.18	
£ 49,913			314,122.96
£437,641	NET ASSETS		£621,909.77
	Share Capital and Reserves		
	Share Capital		
	Authorised, Issued and Fully Paid		
£ 15,000	15,000 Ordinary Shares of £1 each		£ 15,000.00
	Reserves		
128,275	Profit and Loss Account		197,445.29
£143,275			£212,445.29
129,200	Taxation Equalisation Reserve		204,200.00
15,000	Loan – A. Clark's West End Motors Limited		15,000.00
150,166	Amount due to Arnold Clark Automobiles Limited		190,344.48
£437,641			£621,909.77

.............................Director

.............................Director

[illegible] – 23rd May, 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, 1975 and of the Profit for the year ended on that date.

ARNOLD CLARK FINANCE LIMITED

Year ended 31st December, 1975

Appendix 1. and Notes on Accounts

Appendix 1.

Fixed Assets

Motor Vehicles on Contract Hire and Hire Drive

	Cost Price	Aggregate Depreciation	Written Down
As at 31st December, 1974	£ 350,912.96	£ 53,436.57	£ 297,476.39
Purchased During Year	793,471.71	-	793,471.71
	£1,144,384.67	£ 53,436.57	£1,090,948.10
Sold During Year	215,514.64	30,808.77	184,705.87
	£ 928,870.03	£ 22,627.80	£ 906,242.23
Depreciation for Year		134,113.89	134,113.89
	£ 928,870.03	£156,741.69	£772,128.34

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.

Sundry Creditors This item includes the sum of £21,891 (1974 £23,668) due to A. Clark's West End Motors Limited, £957 (1974 £987) due to Arnold Clark (Paisley) Limited and £53 (1974 Nil) due to Arnold Clark (Bearsden) Limited.

Note 3.

1974	Sundry Debtors		
£ 400	Sundry Hire Purchase Debtors		£ 249.97
£ 2,259	Hire Purchase Instalments due but unpaid	£ 2,202.31	
2,259	Less Provision for Bad Debts	2,202.31	
-			-
£26,581	Sundry Debtors and Prepaid Charges	£45,185.79	
3,504	Less Provision for Bad Debts	5,242.79	
£23,077			39,943.00
£23,477			£40,192.97

SCAN UPON DEMAND

We apologise that due

to the poor quality of the fiche,

some of the images scanned

were also of poor quality