

REGISTERED NUMBER: 3465480 (England and Wales)

Abbreviated Accounts
for the Year Ended 31 March 2004
for
Regal Vehicle Rentals Limited



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Regal Vehicle Rentals Limited

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for the Year Ended 31 March 2004

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Regal Vehicle Rentals Limited

Company Information

for the Year Ended 31 March 2004

DIRECTORS:

B Hastings
J H Frost
D H Fielding

SECRETARY:

T M Morris

REGISTERED OFFICE:

Kingfisher Court
Parkgate Road
Mollington
Chester
CH1 6RR.

REGISTERED NUMBER:

3465480 (England and Wales)

AUDITORS:

McEwan Wallace
Chartered Accountants
Registered Auditors
68 Argyle Street
Birkenhead
CH41 6AF

Regal Vehicle Rentals Limited

Report of the Directors
for the Year Ended 31 March 2004

The directors present their report with the accounts of the company for the year ended 31 March 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of short term daily rental vehicle hire.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts.

DIVIDENDS

During the year, dividends were paid to C & D shareholders on a monthly basis. The total of dividends paid to C shareholders amounted to £44,735 and D shareholders received a total of £28,535 in dividends.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the accounts.

DIRECTORS

The directors during the year under review were:

B Hastings

J H Frost

D H Fielding

- appointed 21.3.04

The beneficial interests of the directors holding office on 31 March 2004 in the issued share capital of the company were as follows:

	31.3.04	1.4.03 or date of appointment if later
Ordinary 'A' £1 shares		
B Hastings	50	50
J H Frost	-	-
D H Fielding	50	50
Ordinary 'B' £1 shares		
B Hastings	-	3,712
J H Frost	-	-
D H Fielding	4,703	4,703
Ordinary 'C' and 'D' £1 shares		
B Hastings	3,712	-
J H Frost	990	-
D H Fielding	-	-

Regal Vehicle Rentals Limited

Report of the Directors
for the Year Ended 31 March 2004

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

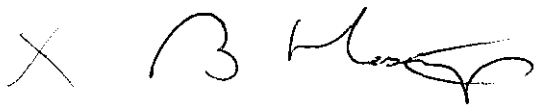
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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.

AUDITORS

The auditors, McEwan Wallace, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'B Hastings', written over a large 'X' mark.

B Hastings - Director

22 December 2004

Report of the Independent Auditors to
Regal Vehicle Rentals Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages five to sixteen, together with the full financial statements of the company for the year ended 31 March 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

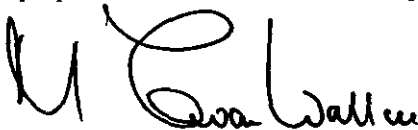
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages five to sixteen are properly prepared in accordance with that provision.



McEwan Wallace
Chartered Accountants
Registered Auditors
68 Argyle Street
Birkenhead
CH41 6AF

22 December 2004

Regal Vehicle Rentals Limited

Abbreviated Profit and Loss Account
for the Year Ended 31 March 2004

		31.3.04	31.3.03
	Notes	£	£
GROSS PROFIT		614,268	764,340
Administrative expenses		487,662	638,907
OPERATING PROFIT	3	126,606	125,433
Interest receivable and similar income		843	-
		127,449	125,433
Interest payable and similar charges	4	2,556	30,006
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		124,893	95,427
Tax on profit on ordinary activities	5	25,427	24,995
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		99,466	70,432
Dividends	6	73,270	-
		26,196	70,432
Retained profit brought forward		269,151	198,719
RETAINED PROFIT CARRIED FORWARD		<u>£295,347</u>	<u>£269,151</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

Regal Vehicle Rentals Limited

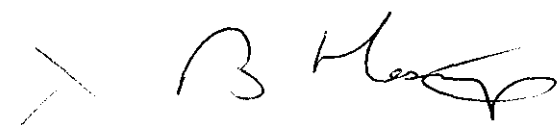
Abbreviated Balance Sheet

31 March 2004

		31.3.04		31.3.03	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		111,472		753,249
CURRENT ASSETS:					
Stocks	8	15,545		15,337	
Debtors	9	709,806		871,805	
Cash at bank and in hand		239,852		33,365	
		965,203		920,507	
CREDITORS: Amounts falling due within one year	10	636,328		1,115,349	
NET CURRENT ASSETS/(LIABILITIES):			328,875		(194,842)
TOTAL ASSETS LESS CURRENT LIABILITIES:			440,347		558,407
CREDITORS: Amounts falling due after more than one year	11		(135,000)		(254,518)
PROVISIONS FOR LIABILITIES AND CHARGES:	14		-		(24,738)
			£305,347		£279,151
CAPITAL AND RESERVES:					
Called up share capital	15		10,000		10,000
Profit and loss account			295,347		269,151
SHAREHOLDERS' FUNDS (including non-equity interests):	18		£305,347		£279,151

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



B Hastings - Director

Approved by the Board on 22 December 2004

The notes form part of these abbreviated accounts

Regal Vehicle Rentals Limited

Cash Flow Statement
for the Year Ended 31 March 2004

		31.3.04		31.3.03	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		369,025		451,635
Returns on investments and servicing of finance	2		(1,713)		(30,006)
Taxation			(257)		(29,625)
Capital expenditure	2		469,761		(101,554)
Equity dividends paid			(73,270)		-
			<u>763,546</u>		<u>290,450</u>
Financing	2		(557,059)		(234,497)
Increase in cash in the period			<u>£206,487</u>		<u>£55,953</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period		206,487		55,953	
Cash outflow from decrease in debt and lease financing		<u>557,059</u>		<u>125,499</u>	
Change in net debt resulting from cash flows			763,546		181,452
New finance leases			-		(682,558)
Movement in net debt in the period			<u>763,546</u>		<u>(501,106)</u>
Net debt at 1 April			<u>(523,694)</u>		<u>(22,588)</u>
Net funds/(debt) at 31 March			<u>£239,852</u>		<u>£(523,694)</u>

The notes form part of these abbreviated accounts

Regal Vehicle Rentals Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2004

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.3.04 £	31.3.03 £
Operating profit	126,606	125,433
Depreciation charges	46,888	115,961
Loss on sale of fixed assets	125,128	-
Increase in stocks	(208)	(337)
Decrease in debtors	163,061	364,585
Decrease in creditors	(92,450)	(154,007)
Net cash inflow from operating activities	<u>369,025</u>	<u>451,635</u>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31.3.04 £	31.3.03 £
Returns on investments and servicing of finance		
Interest received	843	-
Interest paid	(2,556)	(12,178)
Interest element of hire purchase payments	-	(17,828)
Net cash outflow for returns on investments and servicing of finance	<u>(1,713)</u>	<u>(30,006)</u>
Capital expenditure		
Purchase of tangible fixed assets	(74,745)	(101,554)
Sale of tangible fixed assets	544,506	-
Net cash inflow/(outflow) for capital expenditure	<u>469,761</u>	<u>(101,554)</u>
Financing		
Loan repayments in year	(557,059)	(109,000)
No description	-	(125,497)
Net cash outflow from financing	<u>(557,059)</u>	<u>(234,497)</u>

The notes form part of these abbreviated accounts

Regal Vehicle Rentals Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2004

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.03 £	Cash flow £	At 31.3.04 £
Net cash:			
Cash at bank and in hand	33,365	206,487	239,852
	<u>33,365</u>	<u>206,487</u>	<u>239,852</u>
Debt:			
Hire purchase	(557,059)	557,059	-
	<u>(557,059)</u>	<u>557,059</u>	<u>-</u>
Total	<u>(523,694)</u>	<u>763,546</u>	<u>239,852</u>
Analysed in Balance Sheet			
Cash at bank and in hand	33,365		239,852
Hire purchase			
within one year	(477,541)		-
after one year	(79,518)		-
	<u>(523,694)</u>		<u>239,852</u>

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts for the Year Ended 31 March 2004

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 20% on cost
Office equipment	- 20% on cost
Rental Fleet	- 25% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Where the company enters into operating and/or finance leases, its policy is to regard leases as finance leases where their term give rights approximate to ownership.

Assets held under finance leases (including hire purchase contracts) are capitalised at the fair value of the asset at the inception of the lease, with an equivalent liability categorised as appropriate under creditors due within and after one year. Assets are depreciated over the shorter of the lease term and their useful economic life; in the case of assets held under hire purchase agreements they are depreciated over their useful economic life. Finance charges are allocated to accounting years over the life of each lease to produce a constant rate of charge on the outstanding balance.

2. STAFF COSTS

	31.3.04	31.3.03
	£	£
Wages and salaries	432,674	653,582
Social security costs	34,586	42,960
	<u>467,260</u>	<u>696,542</u>

The average monthly number of employees during the year was as follows:

	31.3.04	31.3.03
Management & Administration	18	18
Drivers	45	36
	<u>63</u>	<u>54</u>

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts for the Year Ended 31 March 2004

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.04	31.3.03
	£	£
Depreciation - owned assets	46,888	27,133
Depreciation - assets on hire purchase contracts	-	88,828
Loss on disposal of fixed assets	125,128	-
Auditors' remuneration	5,050	7,750
	<u>5,100</u>	<u>48,135</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.3.04	31.3.03
	£	£
Bank interest	1,412	6,098
Other interest	1,144	6,080
Hire purchase	-	17,828
	<u>2,556</u>	<u>30,006</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.04	31.3.03
	£	£
Current tax:		
UK corporation tax	51,227	257
Origination and reversal of timing differences	(25,800)	24,738
Tax on profit on ordinary activities	<u>25,427</u>	<u>24,995</u>

UK corporation tax has been charged at 19% (2003 - 19%).

6. DIVIDENDS

	31.3.04	31.3.03
	£	£
Equity shares:		
Ordinary 'C' and 'D' shares of £1 each		
Interim dividends-C & D shares	<u>73,270</u>	<u>-</u>

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2004

7. **TANGIBLE FIXED ASSETS**

	Improvements to property	Office equipment	Rental Fleet	Totals
	£	£	£	£
COST:				
At 1 April 2003	56,413	84,764	758,462	899,639
Additions	687	-	74,058	74,745
Disposals	-	-	(758,462)	(758,462)
At 31 March 2004	57,100	84,764	74,058	215,922
DEPRECIATION:				
At 1 April 2003	14,441	43,121	88,828	146,390
Charge for year	11,420	16,953	18,515	46,888
Eliminated on disposals	-	-	(88,828)	(88,828)
At 31 March 2004	25,861	60,074	18,515	104,450
NET BOOK VALUE:				
At 31 March 2004	31,239	24,690	55,543	111,472
At 31 March 2003	41,972	41,643	669,634	753,249

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Rental Fleet
	£
COST:	
At 1 April 2003	758,462
Disposals	(758,462)
At 31 March 2004	-
DEPRECIATION:	
At 1 April 2003	88,828
Eliminated on disposals	(88,828)
At 31 March 2004	-
NET BOOK VALUE:	
At 31 March 2004	-
At 31 March 2003	669,634

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2004

8. **STOCKS**

	31.3.04	31.3.03
	£	£
Stock	<u>15,545</u>	<u>15,337</u>

9. **DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.04	31.3.03
	£	£
V.A.T.	7,460	-
Trade debtors	626,110	838,350
Other debtors	500	500
Prepayments & accrued income	74,674	32,955
Deferred taxation	1,062	-
	<u>709,806</u>	<u>871,805</u>

10. **CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.04	31.3.03
	£	£
Hire purchase contracts (see note 12)	-	477,541
Trade creditors	157,207	198,739
Other creditors	28,620	16,778
V.A.T.	-	38,128
Social security & other taxes	8,767	11,379
Taxation	51,227	257
Accrued expenses	390,507	372,527
	<u>636,328</u>	<u>1,115,349</u>

11. **CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.3.04	31.3.03
	£	£
Debentures	135,000	175,000
Hire purchase contracts (see note 12)	-	79,518
	<u>135,000</u>	<u>254,518</u>

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2004

12. **OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS**

	31.3.04 £	31.3.03 £
Gross obligations repayable:		
Within one year	-	493,249
Between one and five years	-	85,450
	<hr/>	<hr/>
	-	578,699
	<hr/>	<hr/>
Finance charges repayable:		
Within one year	-	15,708
Between one and five years	-	5,932
	<hr/>	<hr/>
	-	21,640
	<hr/>	<hr/>
Net obligations repayable:		
Within one year	-	477,541
Between one and five years	-	79,518
	<hr/>	<hr/>
	-	557,059
	<hr/>	<hr/>

13. **SECURED DEBTS**

The following secured debts are included within creditors:

31.3.04 £	31.3.03 £
<hr/>	<hr/>
<hr/>	<hr/>

14. **PROVISIONS FOR LIABILITIES AND CHARGES**

	31.3.04 £	31.3.03 £
Deferred taxation	-	24,738
	<hr/>	<hr/>
	Deferred tax £	
Balance at 1 April 2003	24,738	
Origination and reversal of timing differences	(24,738)	
	<hr/>	
Balance at 31 March 2004	-	
	<hr/>	

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts for the Year Ended 31 March 2004

15. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.04 £	31.3.03 £
100	Ordinary 'A'	£1	100	100
5,198	Ordinary 'B'	£1	5,198	9,900
(31.3.03 - 9,900)				
4,702	Ordinary 'C' and 'D'	£1	4,702	-
			<u>10,000</u>	<u>10,000</u>

During the year, Ordinary 'B' shares were split into Ordinary 'B', 'C' and 'D' shares. 'C' and 'D' shares hold the same rights as rights as non-voting 'B' shares except for the rights to receive dividends.

16. OTHER FINANCIAL COMMITMENTS

At the year-end, the company was committed to hire purchase and lease purchase agreements amounting to £660,045 all due within one year.

17. POST BALANCE SHEET EVENTS

In April 2004 following approaches by Budget Car and Van Rental, the directors decided to acquire the franchise areas of Chester, Warrington, Manchester South and Cumbria. All five of the rental locations of Regal Rentals have now been re-branded and the company has traded as Budget Rent-a-Car since April 2004.

The directors believe that the timing of this opportunity will enable expansion into a wider market in the future, with the back up of the international brand of Budget. Additional rental locations are expected to be added over the next 12 months, as a result of these changes turnover for 2004/2005 is forecast to increase to approximately £3.75m from the present £2.2m.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.3.04 £	31.3.03 £
Profit for the financial year	99,466	70,432
Dividends	(73,270)	-
Net addition to shareholders' funds	<u>26,196</u>	<u>70,432</u>
Opening shareholders' funds	<u>279,151</u>	<u>208,719</u>
Closing shareholders' funds	<u><u>305,347</u></u>	<u><u>279,151</u></u>
Equity interests	300,149	269,251
Non-equity interests	5,198	9,900
	<u><u>305,347</u></u>	<u><u>279,151</u></u>

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2004

19. **ULTIMATE CONTROLLING PARTY**

The company is jointly controlled by Mr D Fielding and Mr B Hastings by virtue of their equal shareholding.