

REGISTERED NUMBER: 03465480 (England and Wales)

Abbreviated Accounts
for the Year Ended 31 March 2011
for
Regal Vehicle Rentals Limited

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for the Year Ended 31 March 2011

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Regal Vehicle Rentals Limited

Company Information
for the Year Ended 31 March 2011

DIRECTORS:

B Hastings
J H Frost
D H Fielding

REGISTERED OFFICE:

Kingfisher Court
Parkgate Road
Mollington
Chester
CH1 6RR

REGISTERED NUMBER:

03465480 (England and Wales)

AUDITORS:

McEwan Wallace
Chartered Accountants
Statutory Auditor
68 Argyle Street
Birkenhead
CH41 6AF

Regal Vehicle Rentals Limited

Report of the Directors for the Year Ended 31 March 2011

The directors present their report with the accounts of the company for the year ended 31 March 2011

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

In recent years, the company has grown to be the largest Budget franchisee in the UK

Despite difficult trading conditions that led to a small 4.6% reduction in turnover in the year compared to 2010, the company was able to maintain and actually increase operating profits by 16%, a performance which matched the directors' expectations for the year

As was evident during 2010, trading within the industry was difficult with demand from existing customers decreasing due to cost cutting measures resulting from the economic downturn, and other factors such as increases in fuel prices

Partly as an attempt to deal with the current difficult climate, the directors plan to expand the business into new franchise areas, and intend specifically to open a London branch to benefit from the recent growth in the leisure vehicle hire market. This planned move into new areas is actively encouraged by Budget.

The directors prepare management accounts to assess the ongoing performance of the company compared with expectations and prior periods. The directors also utilise specific KPIs including daily fleet utilisation (percentage of fleet rented out) and delivery / collection cost percentages relative to rental income, to assess the daily performance of the company.

The directors have assessed what they consider to be the major risks facing the company and are satisfied that adequate systems are in place to mitigate those risks. This assessment covered the normal risk areas expected for a company of Regal Vehicle Rentals' size and nature, including market competition and likely future developments.

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 £55,500 and D shareholders received a total of £40,500 in dividends.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2010 to the date of this report.

B Hastings

J H Frost

D H Fielding

Regal Vehicle Rentals Limited

Report of the Directors
for the Year Ended 31 March 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, McEwan Wallace, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



B Hastings - Director

1 September 2011

Report of the Independent Auditors to
Regal Vehicle Rentals Limited
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages five to seventeen, together with the full financial statements of Regal Vehicle Rentals Limited for the year ended 31 March 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. 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

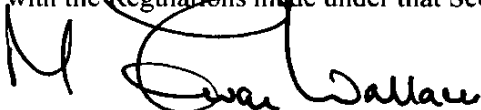
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



A C Gould (Senior Statutory Auditor)
for and on behalf of McEwan Wallace
Chartered Accountants
Statutory Auditor
68 Argyle Street
Birkenhead
CH41 6AF

1 September 2011

Regal Vehicle Rentals Limited

Abbreviated Profit and Loss Account
for the Year Ended 31 March 2011

	Notes	31 3 11 £	31 3 10 £
TURNOVER		5,203,346	5,453,656
Cost of sales and other operating income		(4,193,515)	(4,421,962)
		<hr/> 1,009,831	<hr/> 1,031,694
Administrative expenses		<hr/> 816,632	<hr/> 865,630
OPERATING PROFIT	3	193,199	166,064
Interest receivable and similar income		<hr/> 1,206	<hr/> 3,902
		194,405	169,966
Interest payable and similar charges	4	<hr/> -	<hr/> (58)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		194,405	170,024
Tax on profit on ordinary activities	5	<hr/> 1,232	<hr/> (30,436)
PROFIT FOR THE FINANCIAL YEAR		<hr/> <hr/> 193,173	<hr/> <hr/> 200,460

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these abbreviated accounts

Regal Vehicle Rentals Limited

Abbreviated Balance Sheet
31 March 2011

	Notes	31 3 11		31 3 10	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		6,144,433		5,079,135
Investments	8		136,500		136,500
			<u>6,280,933</u>		<u>5,215,635</u>
CURRENT ASSETS					
Stocks	9	41,281		31,220	
Debtors	10	904,708		1,228,973	
Cash at bank and in hand		517,670		228,804	
		<u>1,463,659</u>		<u>1,488,997</u>	
CREDITORS					
Amounts falling due within one year	11	4,069,300		1,958,390	
NET CURRENT LIABILITIES			<u>(2,605,641)</u>		<u>(469,393)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,675,292		4,746,242
CREDITORS					
Amounts falling due after more than one year	12		2,748,505		3,916,628
NET ASSETS			<u>926,787</u>		<u>829,614</u>
CAPITAL AND RESERVES					
Called up share capital	15		9,505		9,505
Profit and loss account	16		917,282		820,109
SHAREHOLDERS' FUNDS	19		<u>926,787</u>		<u>829,614</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 1 September 2011 and were signed on its behalf by



B Hastings - Director

The notes form part of these abbreviated accounts

Regal Vehicle Rentals Limited

Cash Flow Statement
for the Year Ended 31 March 2011

	Notes	31 3 11 £	£	31 3 10 £	£
Net cash inflow from operating activities	1		1,960,605		258,274
Returns on investments and servicing of finance	2		1,206		3,960
Taxation			(85)		10,202
Capital expenditure	2		(2,569,160)		(3,744,421)
Equity dividends paid			(96,000)		(96,000)
			(703,434)		(3,567,985)
Financing	2		992,300		3,505,340
Increase/(Decrease) in cash in the period			288,866		(62,645)
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase/(Decrease) in cash in the period		288,866		(62,645)	
Cash inflow from increase in debt and lease financing		(992,300)		(3,505,338)	
Change in net debt resulting from cash flows			(703,434)		(3,567,983)
Movement in net debt in the period			(703,434)		(3,567,983)
Net debt at 1 April			(4,806,958)		(1,238,975)
Net debt at 31 March			(5,510,392)		(4,806,958)

The notes form part of these abbreviated accounts

Regal Vehicle Rentals Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2011

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

	31 3 11	31 3 10
	£	£
Operating profit	193,199	166,064
Depreciation charges	1,331,612	296,717
Loss/(Profit) on disposal of fixed assets	172,250	(59,229)
(Increase)/Decrease in stocks	(10,061)	11,120
Decrease/(Increase) in debtors	324,265	(101,198)
Decrease in creditors	(50,660)	(55,200)
Net cash inflow from operating activities	1,960,605	258,274

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

	31 3 11	31 3 10
	£	£
Returns on investments and servicing of finance		
Interest received	1,206	3,902
Interest paid	-	58
Net cash inflow for returns on investments and servicing of finance	1,206	3,960
Capital expenditure		
Purchase of tangible fixed assets	(4,697,553)	(5,472,602)
Sale of tangible fixed assets	2,128,393	1,728,181
Net cash outflow for capital expenditure	(2,569,160)	(3,744,421)
Financing		
New Hire Purchase in year	5,366,647	5,681,809
Capital repayments in year	(4,374,347)	(2,176,469)
Net cash inflow from financing	992,300	3,505,340

The notes form part of these abbreviated accounts

Regal Vehicle Rentals Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2011

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 4 10 £	Cash flow £	At 31 3 11 £
Net cash			
Cash at bank and in hand	228,804	288,866	517,670
	<u>228,804</u>	<u>288,866</u>	<u>517,670</u>
Debt			
Hire purchase	(5,035,762)	(992,300)	(6,028,062)
	<u>(5,035,762)</u>	<u>(992,300)</u>	<u>(6,028,062)</u>
Total	<u>(4,806,958)</u>	<u>(703,434)</u>	<u>(5,510,392)</u>

The notes form part of these abbreviated accounts

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts for the Year Ended 31 March 2011

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the year excluding value added tax. The company's principle activity is the rental of motor vehicles. Income is recognised on an accruals basis over the rental period.

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
Motor vehicles	- 25% on reducing balance

With respect to motor vehicles no depreciation is provided if the purchase price of an asset is the same or less than the buy back value of the asset agreed at the inception of a finance lease.

Stocks

Stocks are 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 at the balance sheet date and are likely to reverse in the future. Deferred tax assets are only recognised when recovery has been forecasted with reasonable certainty.

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 gives 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 11	31 3 10
	£	£
Wages and salaries	1,193,360	1,329,069
Social security costs	98,722	112,885
	<u>1,292,082</u>	<u>1,441,954</u>

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

2 STAFF COSTS - continued

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

	31 3 11	31 3 10
Management & Administration	34	30
Drivers	76	70
	<u>110</u>	<u>100</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	31 3 11	31 3 10
	£	£
Depreciation - owned assets	60,336	79,837
Depreciation - assets on hire purchase contracts	1,271,276	216,880
Loss/(Profit) on disposal of fixed assets	172,250	(59,229)
Auditors' remuneration	8,175	7,830
Foreign exchange differences	-	177
	<u>12,000</u>	<u>12,000</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	31 3 11	31 3 10
	£	£
Bank interest	-	(58)
	<u>-</u>	<u>(58)</u>

5 TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows

	31 3 11	31 3 10
	£	£
Current tax		
UK corporation tax	1,147	(30,488)
Over provision of corporation tax	85	52
	<u>1,232</u>	<u>(30,436)</u>

UK corporation tax has been charged at 21%

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

6 DIVIDENDS

	31 3 11	31 3 10
	£	£
Ordinary 'C' and 'D' shares of £1 each		
Interim	<u>96,000</u>	<u>96,000</u>

7 TANGIBLE FIXED ASSETS

	Improvements to property £	Office equipment £	Motor vehicles £	Totals £
COST				
At 1 April 2010	191,351	197,249	5,451,128	5,839,728
Additions	-	29,836	4,667,717	4,697,553
Disposals	-	-	(2,485,382)	(2,485,382)
At 31 March 2011	<u>191,351</u>	<u>227,085</u>	<u>7,633,463</u>	<u>8,051,899</u>
DEPRECIATION				
At 1 April 2010	168,207	169,389	422,997	760,593
Charge for year	15,461	24,731	1,291,420	1,331,612
Eliminated on disposal	-	-	(184,739)	(184,739)
At 31 March 2011	<u>183,668</u>	<u>194,120</u>	<u>1,529,678</u>	<u>1,907,466</u>
NET BOOK VALUE				
At 31 March 2011	<u>7,683</u>	<u>32,965</u>	<u>6,103,785</u>	<u>6,144,433</u>
At 31 March 2010	<u>23,144</u>	<u>27,860</u>	<u>5,028,131</u>	<u>5,079,135</u>

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

7 TANGIBLE FIXED ASSETS - continued

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

	Motor vehicles £
COST	
At 1 April 2010	4,936,585
Additions	4,476,419
Disposals	(2,044,983)
At 31 March 2011	<u>7,368,021</u>
DEPRECIATION	
At 1 April 2010	361,939
Charge for year	1,271,276
Eliminated on disposal	(142,627)
At 31 March 2011	<u>1,490,588</u>
NET BOOK VALUE	
At 31 March 2011	<u>5,877,433</u>
At 31 March 2010	<u>4,574,646</u>

8 FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows

	31 3 11 £	31 3 10 £
Investment property	<u>136,500</u>	<u>136,500</u>

The directors are of the opinion that the carrying value represents the market value of the property.

9 STOCKS

	31 3 11 £	31 3 10 £
Stocks	<u>41,281</u>	<u>31,220</u>

Regal Vehicle Rentals Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011**

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 11	31 3 10
	£	£
Trade debtors	728,934	878,105
Other debtors	8,045	14,045
Tax debtor	-	30,488
VAT	-	140,707
Prepayments and accrued income	167,729	165,628
	<u>904,708</u>	<u>1,228,973</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 11	31 3 10
	£	£
Hire purchase contracts (see note 13)	3,279,557	1,119,134
Trade creditors	301,558	318,147
Tax	1,147	-
Social security and other taxes	31,471	52,482
VAT	38,897	-
Other creditors	29,313	83,257
Accrued expenses & deferred income	387,357	385,370
	<u>4,069,300</u>	<u>1,958,390</u>

In 2010 the company changed the way in which it financed its vehicles, moving from a predominantly operating lease financed approach to a predominantly hire purchase financed approach. This has had the effect of increasing creditors due in one year and thus decreasing net current assets, as the motor vehicles purchased under hire purchase agreements are shown in fixed assets.

12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 3 11	31 3 10
	£	£
Hire purchase contracts (see note 13)	<u>2,748,505</u>	<u>3,916,628</u>

Regal Vehicle Rentals Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011**

13 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	31 3 11 £	31 3 10 £
Gross obligations repayable		
Within one year	3,331,039	1,173,907
Between one and five years	2,755,913	3,954,164
	<u>6,086,952</u>	<u>5,128,071</u>
Finance charges repayable		
Within one year	51,482	54,773
Between one and five years	7,408	37,536
	<u>58,890</u>	<u>92,309</u>
Net obligations repayable		
Within one year	3,279,557	1,119,134
Between one and five years	2,748,505	3,916,628
	<u>6,028,062</u>	<u>5,035,762</u>

14 SECURED DEBTS

The following secured debts are included within creditors

	31 3 11 £	31 3 10 £
Hire purchase contracts	<u>6,028,062</u>	<u>5,035,762</u>

The liabilities are secured on the assets concerned

15 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			31 3 11	31 3 10
Number	Class	Nominal value	£	£
100	Ordinary 'A'	£1	100	100
3,603	Ordinary 'B'	£1	3,603	3,603
5,802	Ordinary 'C' and 'D'	£1	5,802	5,802
			<u>9,505</u>	<u>9,505</u>

Ordinary 'A' shares possess all rights to vote The Ordinary 'B', 'C' and 'D' shares are non-voting All classes of share are eligible to receive dividends when specifically declared for that class

Regal Vehicle Rentals Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

16 RESERVES

	Profit and loss account £
At 1 April 2010	820,109
Profit for the year	193,173
Dividends	(96,000)
At 31 March 2011	<u>917,282</u>

17 OTHER FINANCIAL COMMITMENTS

At the year-end, the company was committed to pay the following amounts in the next 12 months under operating leases

	2011 £	2010 £
Leases ceasing within one year	35,403	72,150
Leases ceasing between one and five years	79,800	95,260
Leases ceasing in more than five years	71,000	60,000

18 RELATED PARTY DISCLOSURES

The company traded under normal commercial terms with Heaton Office Supplies Limited, a company in which a director, D Fielding, has a controlling interest

Sales to Heaton Office Supplies Limited during the year amounted to £86,965 (2010 - £87,588) and purchases from Heaton Office Supplies Limited during the period totalled £9,630 (2010 - £10,649)

The balance due to Heaton Office Supplies Limited at 31st March 2011 amounted to £243 (2010 - £3,267) This balance is included within trade creditors

The balance due from Heaton Office Supplies Limited at 31st March 2011 amounted to £2,192 (2010 - £2,971) This balance is included within trade debtors

Heaton Office Supplies Limited changed name during the year, having formerly been known as Heaton Stationery Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2011

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 3 11	31 3 10
	£	£
Profit for the financial year	193,173	200,460
Dividends	(96,000)	(96,000)
Net addition to shareholders' funds	<u>97,173</u>	<u>104,460</u>
Opening shareholders' funds	829,614	725,154
Closing shareholders' funds	<u><u>926,787</u></u>	<u><u>829,614</u></u>

20 ULTIMATE CONTROLLING PARTY

The company is jointly controlled by Mr D Fielding and Mr B Hastings by virtue of their equal shareholding of Ordinary 'A' shares