

17-0463  
GODSELL, ASTLEY & PEARCE  
(EUROCURRENCY DEPOSITS) LIMITED  
(Formerly Godsell & Company Limited)

ACCOUNTS

For the year ended  
31 December 1988

COMPANIES HOUSE

16 OCT 1989

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GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED  
(Formerly Godsell & Company Limited)

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Report of the directors

for the year ended 31 December 1988  
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1 The directors present herewith the audited accounts of the company for the year ended 31 December 1988.

Principal activity of the company

2 The principal activity of the company is that of currency deposit broking. The Company changed its name on 1st January 1988 from Godsell & Co Ltd to Godsell, Astley & Pearce (Eurocurrency Deposits) Ltd. The company took over a part of the operations of Astley & Pearce Ltd from 1st January 1988.

Review of 1988 operations and future developments

3 The results for the year are set out in the profit and loss account on Page 4. It is anticipated that the company will make further progress next year.

Dividends

4 The directors do not recommend payment of a dividend.

Directors

5 The directors of the company at 31 December 1988, who served throughout the year except where stated, were as follows: -

R C Lacy	(Chairman - appointed 1 January 1988)
R J Milne	(Appointed 1 January 1988)
S D Scott	(Appointed 1 January 1988)
J Compson	
J T Dick	
P J Edge	
D C Hallums	
R Hubbard	
W G Smith	
R J Wren	
D J Turner	
R D Adlington	
G Mansfield	
M A Ward	
J Oliver	

Mr. K. Costello resigned on 4th May 1988. Mr. R.L. Tonkin was appointed on 1st January 1988 and resigned on 4th November 1988.

### Directors' interests in shares of group companies

6 The directors have no interests in the shares of the company. Mr R C Lacy's interests in the shares of the ultimate holding company, British & Commonwealth Holdings plc, are shown in the directors' report of Exco International plc. The interests of the other directors in the ultimate holding company are shown below:

	<u>As at 31st December 1987</u>		<u>As at 31st December 1988</u>		
	Ordinary Stock Units of 10p each	7 3/4% CULS	Ordinary Stock Units of 10p each	7 3/4% CULS	Options in Ordinary Stock Units
R J Milne	2,061	6,264	2,061	6,264	20,000
J T Dick	1,000	-	1,278	-	40,000
D C Hallums	9,000	27,350	7,250	27,350	40,000
S D Scott	900	2,500	900	2,735	20,000
J Compson	-	-	-	-	20,000
P J Edge	-	-	-	-	55,000
R Hubbard	-	-	-	-	35,000
W G Smith	-	-	-	-	25,000
R J Wren	-	-	-	-	25,000
D J Turner	-	-	-	-	25,000
R Adlington	-	-	-	-	20,000
G Mansfield	-	-	-	-	25,000
M A Ward	-	-	-	-	20,000
A J Oliver	-	-	-	-	25,000

The options were granted on 6th May 1988 and are exercisable within three to ten years from that date at 262p per share.

### Fixed assets

7 Details of movements in fixed assets are given in notes 7 and 8 to the accounts.

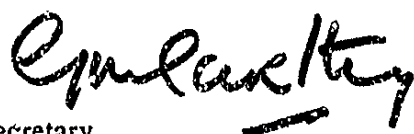
### Close Company

8 The company is not a close company within the meaning of the Income and Corporation Taxes Act 1988.

### Auditors

9 A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD



Secretary,  
LONDON

11 APR 1989

Report of the auditors to the members of

OSSELL, ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED

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have audited the accounts on pages 4 to 15 in accordance with approved Auditing Standards.

Our opinion the accounts give a true and fair view of the state of the company's affairs at 31 December 1988 and its profit and source and application of funds for the year then ended, and comply with the Companies Act 1985.

*Cooze & Lybrand*

Chartered Accountants,  
LONDON

111 APR 1989

GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED

Profit and loss account  
for the year ended 31 December 1988

	<u>Notes</u>	<u>1988</u> £'000	<u>1987</u> £'000
Turnover	2	12,462	10,432
Net operating expenses	3	8,884	7,042
Profit on ordinary activities before taxation		3,578	3,390
Tax charge on profit on ordinary activities	6	414	1,383
Profit for the financial year		3,164	2,007
		=====	=====

STATEMENT OF RETAINED PROFITS

Retained profits at 1 January		6,630	4,623
Profit for the financial year		3,164	2,007
Dividends	16	(9,451)	-
Retained profits at 31 December		343	6,630
		=====	=====

The notes on pages 7 to 15 form part of these accounts

Auditors' report - Page 3

**GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED**

Balance sheet - 31 December 1988

	<u>Notes</u>	<u>1988</u> <u>£'000</u>	<u>1987</u> <u>£'000</u>
<b>FIXED ASSETS</b>			
Tangible assets	7	2,252	907
Investments	8	1	1
		<u>2,253</u>	<u>908</u>
<b>CURRENT ASSETS:</b>			
Debtors	9	6,014	9,707
Cash at bank and in hand	10	10,243	861
		<u>16,257</u>	<u>10,568</u>
<b>CREDITORS: Amounts falling due within one year</b>	11	6,123	3,306
<b>NET CURRENT ASSETS</b>		<u>10,134</u>	<u>7,262</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>12,387</u>	<u>8,170</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	12	(4,977)	(1,507)
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	13	(171)	13
<b>NET ASSETS</b>		<u>7,239</u>	<u>6,676</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	6,896	46
Profit and loss account		343	6,630
<b>TOTAL CAPITAL EMPLOYED</b>		<u>7,239</u>	<u>6,676</u>



Directors

11 APR 1989

The notes on pages 7 to 15 form part of these accounts.

Auditors' report - Page 3

**GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED**

**Statement of source and application of funds  
for the year ended 31 December 1988**

	<u>1988</u> £'000	<u>1987</u> £'000
<b>SOURCE OF FUNDS</b>		
Profit before taxation	3,578	3,390
Items not involving the movement of funds:-		
Depreciation	529	366
Loss/(Profit) on sale of tangible fixed assets	216	(171)
<b>FUNDS GENERATED FROM OPERATIONS</b>	<u>4,323</u>	<u>3,585</u>
<b>FUNDS FROM OTHER SOURCES</b>		
Issue of loan stock	2,850	-
Issue of share capital	6,850	-
Sale of fixed assets	835	-
Tax refund	219	284
Net movement in obligations under finance leases	563	-
<b>TOTAL AVAILABLE FUNDS</b>	<u>15,640</u>	<u>3,869</u>
<b>APPLICATION OF FUNDS</b>		
Tax paid	1,696	2,423
Purchase of tangible fixed assets	2,925	640
Dividend paid	9,451	-
	<u>14,072</u>	<u>3,063</u>
	<u>1,568</u>	<u>806</u>
	=====	=====
<b>MOVEMENT IN WORKING CAPITAL</b>		
Increase in debtors (excluding group balances)	363	249
(Decrease)/Increase in amounts due from group companies	(8,648)	172
Decrease/(Increase) in creditors (excluding tax and group balances)	471	(342)
	<u>(7,814)</u>	<u>79</u>
	-----	-----
<b>MOVEMENT IN NET LIQUID FUNDS</b>		
Increase in cash at bank and bank balances	9,382	727
	<u>1,568</u>	<u>806</u>
	=====	=====

**GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED**

Notes to the accounts - 31 December 1988

Accounting policies

1 A summary of the principal accounting policies is set out below:-

(a) Accounting basis

The Accounts have been prepared under the historical cost convention.

(b) Fixed assets

Fixed assets are stated at cost. Depreciation is calculated to write off the cost of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal annual rates are as follows:-

Short leasehold improvements	20%
Communication equipment	20%
Furniture and fixtures	20%
Motor vehicles	25%

(c) Deferred taxation

Taxation deferred as a result of material timing differences is provided at the rate of taxation ruling at the balance sheet date (the "liability method"), to the extent that such taxation is expected to become payable in the foreseeable future.

(d) Brokerage income

Brokerage income is accounted for at the date of the transaction.

(e) Foreign currencies

Foreign currency assets and liabilities are translated at the rates ruling at the end of the accounting period and gains and losses thereon are taken to the profit and loss account. Exchange gains and losses arising from realised forward exchange contracts entered into by Exco International plc to reduce the company's exposure to currency fluctuations are credited or charged against net operating expenses.

(f) Turnover

Turnover, which is exclusive of sales taxes, is based on invoiced brokerage charges for the period less commission payable to third parties.

(g) Pension costs

The pension schemes of the company are funded externally. Payments made to the funds and charged annually in the accounts comprise current service contributions and back service contributions at rates based on actuarial advice.

**GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED**

Notes to the accounts - 31 December 1988 - Continued

(h) Leased assets

Fixed assets held under finance leases are capitalised and depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

Turnover and profit

- 2) All turnover and profit is derived from moneybroking activities carried out in the UK.

GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED

Notes to the accounts - 31 December 1988 - Continued

Net operating expenses

3

	<u>1988</u> £'000	<u>1987</u> £'000
Staff costs (see note 5)	6,138	5,297
Depreciation of tangible fixed assets		
: owned assets	352	366
: assets held under finance leases	177	-
Other operating expenses:		
Auditors remuneration	14	10
Operating lease rentals	-	219
Other expenses	3,259	2,093
	-----	-----
Total operating expenses	9,940	7,985
Interest payable and similar charges		
Payable to group companies (see note 14)	194	-
Charges on Finance leases	69	-
Less:		
Other interest receivable and similar income	821	20
Exchange gain	498	923
	-----	-----
Net operating expenses	£ 8,884 =====	£ 7,042 =====

Directors' emoluments

4 Emoluments of the directors of the company (including pension contributions and amounts paid by fellow subsidiary companies) are as follows:-

	<u>1988</u> £	<u>1987</u> £
Management remuneration	2,025,683	1,630,372
Pension to past directors	-	2,495
	-----	-----
	2,025,683 =====	1,632,867 =====

Particulars in accordance with Part V of Schedule 5 of the Companies Act 1985 of the emoluments of the directors of the company (excluding pension contributions), are as follows:-

	<u>1988</u> £	<u>1987</u> £
Chairman	Nil =====	145,740 =====
Highest paid director	340,666 =====	217,146 =====

**GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED**

Notes to the accounts - 31 December 1988 - Continued

Number of other directors whose emoluments fell within the ranges:-

	<u>1988</u> £	<u>1987</u> £
£35,001 - £40,000	1	-
£45,001 - £50,000	1	-
£60,001 - £65,000	1	-
£70,001 - £75,000	2	2
£75,001 - £80,000	-	3
£85,001 - £90,000	1	-
£90,001 - £95,000	1	2
£95,001 - £100,000	3	-
£100,001 - £105,000	-	1
£105,001 - £110,000	2	1
£110,001 - £115,000	-	1
£120,001 - £125,000	1	-
£140,001 - £145,000	-	2
£145,001 - £150,000	1	-
£250,001 - £255,000	1	-

Staff costs

5(a) Employee costs (including executive directors) amount to:

	<u>1988</u> £'000	<u>1987</u> £'000
Wages and salaries	5,098	4,518
Social security costs	482	507
Other pension costs	558	272
	<u>6,138</u>	<u>5,297</u>
	=====	=====

(b) The average weekly number of persons employed by the company, all of whom were full time and including executive directors was as follows:-

	<u>1988</u>	<u>1987</u>
Dealing staff	121	91
Administration	5	31
	<u>126</u>	<u>122</u>
	=====	=====

**GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED**

Notes to the accounts - 31 December 1988 - Continued

- (c) The number of employees whose emoluments were in excess of £30,000 and fell within the indicated ranges were as follows:-

	<u>1988</u>	<u>1987</u>
£30,001 - £35,000	4	2
£35,001 - £40,000	12	4
£40,001 - £45,000	9	10
£45,001 - £50,000	4	2
£50,001 - £55,000	4	2
£55,001 - £60,000	5	-
£60,001 - £65,000	-	1
£65,001 - £70,000	1	4
£70,001 - £75,000	-	2
£75,001 - £80,000	1	2
£80,001 - £85,000	1	-
£95,001 - £100,000	-	1
£140,001 - £145,000	1	-

Tax on profit on ordinary activities

- 6 The tax charge is based on the profit for the year and comprises:-

	<u>1988</u> £'000	<u>1987</u> £'000
Corporation tax on the profits for the year based at a rate of 35%	1,564	1,507
ACT surrendered by a group company without charge	(1,162)	-
Deferred taxation arising from: - capital allowances	184	(118)
	<u>586</u>	<u>1,389</u>
(Over) provision in prior years	(172)	(6)
	<u>414</u>	<u>1,383</u>
	<u>=====</u>	<u>=====</u>

GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED

Notes to the accounts - 31 December 1988 - Continued

Tangible fixed assets

7

	Buildings Short leasehold £'000	Furniture fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost				
At 1 January 1988	17	1,647	713	2,377
Additions	-	664	1,192	1,856
Transfers between group companies	-	1,071	102	1,173
Disposals	(17)	(1,569)	(1,030)	(2,616)
At 31 December 1988	-	1,813	977	2,790
Depreciation				
At 1 January 1988	14	1,240	216	1,470
Charge for the year	-	338	191	529
Transfers between group companies	-	35	69	104
Disposals	(14)	(1,241)	(310)	(1,565)
At 31 December 1988	-	372	166	538
Net book value at				
31 December 1988	-	1,441	811	2,252
31 December 1987	3	407	49	907

Included in motor vehicles are assets of net book value £807,000 (1987 £Nil) held under finance leases.

	1988 £'000	1987 £'000
Capital expenditure approved:		
Expenditure contracted for	-	615

# GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED

Notes to the accounts - 31 December 1988 - Continued

## Fixed asset investments

### 8 (a) Shares in subsidiary companies:-

	<u>1988</u> <u>£'000</u>	<u>1987</u> <u>£'000</u>
Cost		
At 1 January	1	1
At 31 December	1	1
	===	===

### (b) The principal subsidiary companies are as follows:-

	<u>Country of Incorporation</u>	<u>Principal Activity</u>
Godsell (LDA) Channel Islands Limited	Jersey	Dormant
Exec Overseas (Australia) Pty Limited	Australia	Holding Company
Godsell (Deposits) Limited	UK	Dormant

The company owns 100% of the issued share capital of the above subsidiaries.

Group accounts have not been prepared as the company is a wholly owned subsidiary of Godsell Holdings Limited, which is incorporated in Great Britain.

In the opinion of the directors, the aggregate value of the company's subsidiaries is not less than the aggregate of the amounts at which those assets are included in the balance sheet.

## Debtors

9

	<u>1988</u> <u>£'000</u>	<u>1987</u> <u>£'000</u>
Amounts falling due within one year:		
Trade debtors	1,664	1,343
Amounts owed by group companies:		
Due from holding companies and fellow subsidiaries	637	7,843
Due from subsidiaries	320	320
ACT recoverable	3,150	-
	5,771	8,163
Other debtors	95	83
Prepayments and accrued income	148	118
	6,014	9,707
	=====	=====

## Cash at Bank and in Hand

10 Cash at Bank and in hand includes £9.9 Million held on short term deposit in order to comply with regulatory requirements. The use of these funds is restricted.

GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED

Notes to the accounts - 31 December 1988 - Continued

Creditors: Amounts falling due within one year:

11	<u>1988</u> £'000	<u>1987</u> £'000
Trade creditors	-	191
Amounts owed to group companies: Due to holding companies and fellow subsidiaries	1,648	400
Loan stock interest (note 14)	194	-
Other creditors:		
UK Corporation Tax payable	315	1,619
VAT	-	18
Social Security and PAYE	157	138
Accruals and deferred income	343	940
ACT	3,150	-
Other	316	-
	<u>6,123</u>	<u>3,306</u>

Creditors: amounts falling due after one year

12	<u>1988</u> £'000	<u>1987</u> £'000
UK corporation tax payable 1 April 1990 (1 July 1989)	1,564	1,507
Loan stock (note 14)	2,850	-
Obligations under finance lease due within 2-5 years	563	-
	<u>4,977</u>	<u>1,507</u>

Provision for liabilities and charges

13 (a) The provision for liabilities and charges comprises:-

	<u>1988</u> £'000	<u>1987</u> £'000
Deferred taxation, principally in respect of capital allowances	171	(13)

(b) The movement on deferred taxation representing the full potential liability on timing differences is as follows:-

	<u>£'000</u>	<u>£'000</u>
Balance at beginning of year	13	(105)
(Charged)/credited to profit and loss in respect of capital allowances	(184)	118
Balance at end of year	<u>(171)</u>	<u>13</u>

**GODSELL ASTLEY & PEARCE (EUROCURRENCY DEPOSITS) LIMITED**

Notes to the accounts - 31 December 1988 - Continued

Loan Stock

14 The company issued £2,850,000 of subordinate loan stock to a fellow subsidiary on the 31st March 1988. Interest is payable annually on the 31st March at the London Interbank offer rate. Repayment is subordinated to the claims of all other creditors of the company and is due on the winding up of the company.

Share capital

15	<u>1988</u> £	<u>1987</u> £
Authorised:		
1,000,000 13% redeemable preference shares of £1 each	-	1,000,000
400 ordinary shares of 25p each	-	100
181,800 2nd deferred shares of 25p each	-	45,450
60,600 3rd deferred shares of 1p each	-	606
76,880 'A' shares of 1p each	-	768
307,520 'B' shares of 1p each	-	3,076
10,000,000 ordinary shares of £1 each	10,000,000	-
	£ 10,000,000	£ 1,050,000
	=====	=====
Allotted, called up and fully paid:		
400 ordinary shares of 25p each	-	100
181,800 2nd deferred shares of 25p each	-	45,450
60,600 3rd deferred shares of 1p each	-	606
6,896,156 ordinary shares of £1 each	6,896,156	-
	£ 6,896,156	46,156
	=====	=====

In order to provide the additional capital required by market regulatory authorities, the company increased its authorised and issued share capital during the year as follows:

- (a) On 31st March 1988, the company increased its authorised share capital to £10,000,000 by the creation of 10,000,000 ordinary shares of £1 each.
- (b) At the same date the company converted all of its issued shares into £1 ordinary shares and issued a further 2,850,000 ordinary shares of £1 each at par.
- (c) On 31st December 1988 the issued share capital was increased by the issue of a further 4,000,000 shares of £1 each at par.

Dividends

	<u>1988</u> £'000	<u>1987</u> £'000
16 Dividend paid in the year	9,451	-
	=====	=====

Ultimate holding company

17 The ultimate holding company is British & Commonwealth Holdings plc, which is incorporated in Great Britain.