

BRISTOL STREET MOTORS LEASING LIMITED

DIRECTORS' REPORT

The directors present their report and statement of accounts for the year ended 31st December, 1980.

PRINCIPAL ACTIVITIES

The principal activity of the company is fleet distributors of motor vehicles.

RESULTS AND DIVIDEND

The results for the year are shown in the profit and loss account on page 4. The directors recommend that no dividend be paid.

EXPORTS

The value of goods exported by the company was £Nil (1979 £Nil).

DIRECTORS

The directors at 31st December, 1980 who served throughout the year, were:

Mr. T. C. Cannon	} Directors of B.S.G. International Limited
Mr. C. B. Justice	
Mr. J. B. Tustain	
Mr. A. Brain	
Mr. F. Geeves	
Mr. C. M. Thomas	

Mr. H. G. Cressman resigned as a director on 9th October, 1980.

In accordance with the Articles of Association, none of the directors retire.

DIRECTORS' SHAREHOLDINGS

None of the directors have any beneficial interest in the share capital of the company.

The beneficial interests of the directors in the shares of B.S.G. International Limited (other than directors of that company) are set out below:

	Ordinary shares of £1 each	
	<u>At 31st December, 1980</u>	<u>At 31st December, 1979</u>
J. B. Tustain	4,800	4,800
A. Brain	225	225
C. M. Thomas	1,000	-

DIRECTORS' INTERESTS IN CONTRACTS

No director has had any beneficial interest in any contract to which the company was a party.



BRISTOL STREET MOTORS LEASING LIMITED
DIRECTORS' REPORT

FIXED ASSETS

Changes in fixed assets during the year are set out in note 8 to the accounts.

TAXATION STATUS

The company is not a close company within the meaning of the Income and Corporation Taxes Act 1970.

AUDITORS

The auditors, Kidsons, have intimated their willingness to continue in office, subject to the approval of the members in general meeting.

Registered Office:

Burgess House,
1270, Coventry Road,
Birmingham B25 8BB

10th April, 1981

By Order of the Board,

R. Thorne,

for B.S.G. Secretarial Services Limited,
Secretary.

REPORT OF THE AUDITORS TO THE MEMBERS OF
BRISTOL STREET MOTORS LEASING LIMITED

We have audited the accounts set out on pages 4 to 8 in accordance with approved Auditing Standards.

In our opinion the accounts, which have been prepared under the historical cost convention, give a true and fair view of the state of the company's affairs at 31st December, 1980 and of the results for the year ended on that date and comply with the Companies Acts 1948 to 1980. The accounts do not show the manner in which the operations of the company have been financed or in which its financial resources have been used during the year as required by Statement of Standard Accounting Practice No. 10 as such information is of little value as a result of the parent company's financial structuring of its subsidiary companies.

BIRMINGHAM

10th April, 1981

KIDSONS,

Chartered Accountants

BRISTOL STREET MOTORS LEASING LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31st DECEMBER, 1980

1979

	<u>Note</u>	<u>£</u>	<u>£</u>
Turnover	1	<u>15,351,521</u>	<u>14,288,247</u>
(Loss)/profit before taxation	2	(273,648)	1,930
Taxation	4	<u>14,884</u>	<u>84,843</u>
Loss after taxation		(288,532)	(82,913)
Extraordinary item	5	<u>5,387</u>	<u>-</u>
Loss for the year	7	<u>(293,919)</u>	<u>(82,913)</u>

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BRISTOL STREET MOTORS LEASING LIMITED

BALANCE SHEET

31st DECEMBER, 1980

1979

	Note	£	£	£	£
CAPITAL EMPLOYED:					
Share capital	6		3		3
Reserves	7		(131,650)		162,269
			(131,647)		162,272
EMPLOYMENT OF CAPITAL:					
Fixed assets	8		13,017		11,576
Current assets:					
Stocks	9	425,862		944,788	
Debtors		313,768		649,224	
Amount due from holding company		551,731		855,335	
Amounts due from fellow subsidiaries		11,664		124,527	
Cash		3,800		10,005	
		1,306,825		2,583,879	
Current liabilities:					
Creditors		612,006		845,109	
Amounts due to other group companies for group relief		9,034		-	
Amounts due to fellow subsidiaries	14	830,449		1,588,074	
		1,451,489		2,433,183	
Net current(liabilities)/assets			(144,664)		150,696
			(131,647)		162,272

T. C. Cannon

C. B. Justice

Directors

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BRISTOL STREET MOTORS LEASING LIMITED

NOTES ON ACCOUNTS

31st DECEMBER, 1980

1. ACCOUNTING POLICIES:

a. Turnover:

Turnover represents the value of goods sold and services invoiced to customers, excluding value added tax.

b. Depreciation:

Depreciation is calculated on cost, on a straight line basis to write off the book value over the expected useful life of the assets concerned. The principal annual rate used for this purpose is:

Furniture, fixtures and fittings 10%

c. Stocks:

Stocks are stated at the lower of cost and net realisable value.

d. Deferred taxation:

Deferred tax is calculated on the liability method in respect of timing differences between profits as stated in the financial accounts and as computed for tax purposes. Where such timing differences are anticipated to continue for the foreseeable future no provision has been made.

2. PROFIT BEFORE TAXATION:

Trading profit is stated after charging

	<u>1980</u>	<u>1979</u>
	£	£
Depreciation	3,501	3,016
Directors' emoluments (note 3)	40,183	59,119
Auditor's remuneration	11,250	3,500
Interest - short term	32,471	15,477
Management service charge	26,733	24,900
Plant hire	2,990	-
	<u>60,264</u>	<u>28,623</u>

and after crediting:

Interest receivable

	<u>60,264</u>	<u>28,623</u>
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3. DIRECTORS' EMOLUMENTS:

As directors	-	-
For management (including pension contributions)	40,183	59,119
Emoluments of the chairman	<u>Nil</u>	<u>Nil</u>
Emoluments of the highest paid director	<u>18,111</u>	<u>29,619</u>

Number of directors whose emoluments were within the ranges

	<u>Nos.</u>	<u>Nos.</u>
£0 - £5,000	4	4
£5,001 - £10,000	-	2
£10,001 - £15,000	2	1
£15,001 - £20,000	1	-
£20,001 - £30,000	-	1

BRISTOL STREET MOTORS LEASING LIMITED

NOTES ON ACCOUNTS

31st DECEMBER, 1980

4. TAXATION:

The charge for the year comprises:

United Kingdom corporation tax at 52%

Prior year adjustment:

Corporation tax

<u>1980</u>	<u>1979</u>
£	£
Nil	Nil
14,884	84,843
<u>14,884</u>	<u>84,843</u>

Stock relief has been calculated on the basis of the proposals contained in the Finance Bill 1981.

5. EXTRAORDINARY ITEM:

Redundancy costs

Taxation

<u>1980</u>	<u>1979</u>
£	£
11,237	-
5,850	-
<u>5,387</u>	<u>-</u>

6. SHARE CAPITAL (1980 and 1979):

Ordinary shares of £1 each

<u>Authorised</u>	<u>Issued and Fully Paid</u>
£	£
3,000	3

7. RESERVES - Profit and Loss account:

Balance at 31st December, 1979

Loss for the year

Balance at 31st December, 1980

£
162,269
(293,919)
<u>(131,650)</u>

8. FIXED ASSETS:

Cost:

At 31st December, 1979

Additions

Inter group transfers

At 31st December, 1980

Aggregate depreciation

Net book amount:

31st December, 1980

31st December, 1979

<u>Plant Equipment and Motor Vehicles</u>
£
31,947
1,145
994
<u>37,086</u>
<u>24,069</u>
<u>13,017</u>
<u>11,576</u>

BRISTOL STREET MOTORS LEASING LIMITED

NOTES ON ACCOUNTS

31st DECEMBER, 1980

	<u>1980</u>	<u>1979</u>
	<u>£</u>	<u>£</u>
9. STOCKS:		
Vehicle stock	<u>425,862</u>	<u>944,788</u>

10. CAPITAL COMMITMENTS:

There were no capital expenditure commitments at 31st December, 1980 (1979 £Nil).

11. CONTINGENT LIABILITIES:

- a. The company has given joint and several guarantees secured by fixed and floating charges on its assets in respect of the holding company's indebtedness to Barclays Bank Limited.
- b. The company is a member of a group registration for value added tax purposes and is jointly and severally liable with certain other subsidiaries for the value added tax payable under the group registration.

12. POTENTIAL LIABILITY FOR DEFERRED TAX:

There is no potential liability for deferred taxation for the following reasons:

- i) Stock relief, following the proposals of the Finance Bill 1981 is no longer a potential liability in respect of amounts claimed up to 31st December, 1980.
- ii) The potential liability in respect of accelerated capital allowances is covered by taxation losses carried forward. At 31st December, 1980 taxation losses amounting to £528,500 are being carried forward for relief against future trading profits.

13. ULTIMATE HOLDING COMPANY:

The company is a direct subsidiary of B.S.G. International Limited, a company incorporated in England.

14. AMOUNTS DUE TO FELLOW SUBSIDIARIES:

One of the fellow subsidiary companies will not request payment of the amount due (£46,208) until the assets of the company exceed its liabilities.