

632,485

# REPORT & ACCOUNTS

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CH BRISTOL STREET MOTORS LEASING LTD  
AUTOLEASE LIMITED

31st DECEMBER, 1977



KIDSONS Chartered Accountants

Certified to be a true and correct copy

Director .....

Secretary .....

632483

AUTOLEASE LIMITED  
DIRECTORS' REPORT

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The directors present their report and statement of accounts for the year ended 31st December, 1977.

#### PRINCIPAL ACTIVITIES

The company continued to trade as hirers and fleet distributors of motor vehicles.

#### RESULTS AND DIVIDEND

The results and the recommended dividend for the year are shown in the profit and loss account on page 4.

#### EXPORTS

There were no goods exported during the year (1976 Nil).

#### DIRECTORS

The directors at 31st December, 1977 were:

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

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.

No director has any beneficial interest in the ordinary shares of B.S.G. International Limited other than those who are also directors of the holding company and their interests are disclosed in that company's accounts.

#### DIRECTORS' INTERESTS IN CONTRACTS

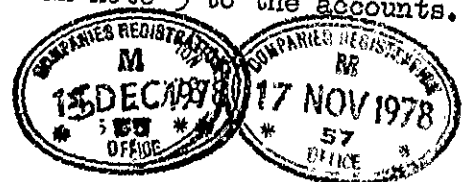
No director has had any beneficial interest in any material contract to which the company was a party.

#### SECRETARY

Mr. R. Thorne resigned as secretary on the 14th March, 1977. B.S.G. Secretarial Services Limited were appointed secretary of the company on that date.

#### FIXED ASSETS

Changes in fixed assets during the year are set out in note 5 to the accounts.



AUTOLEASE LIMITED  
DIRECTORS' REPORT

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

7th April, 1978

By Order of the Board,

R. Thorne,

for B.S.G. Secretarial Services Limited,

Secretary.

REPORT OF THE AUDITORS TO THE MEMBERS OF  
AUTOLEASE LIMITED

We have examined the accounts set out on pages 4 to 9. These have been prepared under the historical cost convention.

In our opinion, these accounts give a true and fair view of the state of affairs at 31st December, 1977 and the profit and the source and application of funds for the year ended on that date and comply with the Companies Acts 1948 and 1967.

BIRMINGHAM

KIDSONS,

7th April, 1978

Chartered Accountants

AUTOLEASE LIMITED  
PROFIT AND LOSS ACCOUNT  
Year ended 31st DECEMBER, 1977

1976

	<u>Note</u>	<u>£</u>	<u>£</u>
Turnover	1	<u>5,249,020</u>	<u>2,278,155</u>
Trading profit before taxation	2	191,039	168,385
Taxation	4	<u>(1,300)</u>	<u>210,734</u>
Profit (Loss) after taxation		192,339	(42,349)
Proposed dividend		<u>62,000</u>	<u>48,000</u>
Retained profit (loss) for the year	8	<u>130,339</u>	<u>(90,349)</u>

STATEMENT OF RESERVES

1976

	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Retained profit (loss) for the year		130,339		(90,349)
Reserves as previously reported	50,054		37,503	
Prior year adjustment (see note below)	<u>90,880</u>	<u>140,934</u>	<u>193,780</u>	<u>231,283</u>
		<u>271,273</u>		<u>140,934</u>

Note - The treatment of deferred taxation has been changed as stated in the accounting policies (note 1d on page 6) and has resulted in an amount of £127,800 (1976 £193,780) being transferred to the credit of reserves. This has been reduced by £36,920 (1976 Nil) in respect of prior year adjustments to corporation tax originally provided.

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AUTOLEASE LIMITED  
BALANCE SHEET  
31st DECEMBER, 1977

1976

CAPITAL EMPLOYED:

	<u>Note</u>	<u>£</u>	<u>£</u>
Share capital	7	3	3
Reserves	8	271,273	140,934
		<u>271,276</u>	<u>140,937</u>

EMPLOYMENT OF CAPITAL:

Fixed assets	5	91,153	282,735
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Current assets

Stock	6	445,662	24,178
Debtors		220,625	373,673
Amount due from holding company (after deducting a dividend of £62,000/1976 £48,000)		785,275	398,845
Amounts due from fellow subsidiaries		24,215	25,582
Cash		365	260

1,476,142      822,538

Current liabilities

Creditors	398,391	290,758
Current taxation	447,354	200,984
Corporation tax payable 1st January, 1979	-	247,670
Amounts due to fellow subsidiaries	450,274	224,924

1,296,019      964,336

Net current assets (liabilities)

180,123      (141,798)

271,276      140,937

T. C. Cannon

C. B. Justice

} Directors

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AUTOLEASE LIMITED  
NOTES ON THE ACCOUNTS  
31st DECEMBER, 1977

1. ACCOUNTING POLICIES

a. Turnover

Turnover comprises rentals received and invoiced fleet sales excluding car tax and 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 (except leased vehicles). The principal annual rates used for this purpose are:

Furniture, fixtures and fittings      10%

Depreciation of leased vehicles is calculated on a basis designed to write the vehicles down to their market or realisable value over the period of the contract.

c. Stocks

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

d. Deferred taxation

The directors have changed the accounting policy for deferred taxation as they believe that future capital expenditure plans and their intention of maintaining existing stock levels in the foreseeable future do not justify the existence of the deferred taxation account.

Accordingly the balance on the deferred taxation account has been transferred to the opening reserves and no amounts have been provided during the year.

The 1976 comparative figures for the profit and loss account and balance sheets have been amended to reflect this change in accounting policy.

2. PROFIT BEFORE TAXATION

	<u>1977</u>	<u>1976</u>
Trading profit is after charging	<u>£</u>	<u>£</u>
Depreciation	41,168	30,940
Auditors' remuneration	3,000	2,400
Directors' emoluments (note 3)	27,671	21,654
	<u>25,471</u>	<u>7,034</u>
and after crediting		
Interest receivable		

3. DIRECTORS' EMOLUMENTS

	<u>£</u>	<u>£</u>
As directors	-	-
For management (including pension contributions)	26,621	21,354
	<u>Nil</u>	<u>Nil</u>
Emoluments of the chairman		
Emoluments of the highest paid director	13,888	10,608
Number of directors whose emoluments were within the ranges:	Nos.	Nos.
£0 - £2,500	3	3
£2,501 - £5,000	1	1
£5,001 - £7,500	1	1

AUTOLEASE LIMITED  
NOTES ON THE ACCOUNTS  
31st DECEMBER, 1977

4. TAXATION	<u>1977</u>	<u>1976</u>
The charge for the year comprises:	<u>£</u>	<u>£</u>
U.K. corporation tax based on the profits at a rate of 52% for the year	-	210,750
Prior year's adjustment		
Corporation tax	(1,300)	(16)
	<u>(1,300)</u>	<u>210,734</u>

If deferred taxation had been provided on the liability method the charge for the year would have been £106,134 (1976 credit £108,125). This would be made up of a credit of £62,703 (1976 £108,125) in respect of accelerated capital allowances and a charge of £168,837 (1976 £Nil) in respect of stock relief.

5. FIXED ASSETS	<u>Plant, Equipment and Vehicles</u>
Cost	<u>£</u>
At 31st December, 1976	781,488
Additions	77,577
Disposals	(486,100)
At 31st December, 1977	<u>372,965</u>
Accumulated depreciation	<u>281,812</u>
Net book amount	
31st December, 1977	<u>91,153</u>
31st December, 1976	<u>282,735</u>

6. STOCKS	<u>1977</u>	<u>1976</u>
Vehicle stock	<u>£</u>	<u>£</u>
	445,662	24,178
	<u>445,662</u>	<u>24,178</u>

7. SHARE CAPITAL (1977 and 1976)	<u>Authorised</u>	<u>Issued and Fully Paid</u>
Ordinary shares of £1 each	<u>£</u>	<u>£</u>
	3,000	3
	<u>3,000</u>	<u>3</u>



AUTOLEASE LIMITED  
NOTES ON THE ACCOUNTS  
31st DECEMBER, 1977

	<u>Unappropriated Profits</u>
	<u>£</u>
8. RESERVES	
Balance at 31st December, 1976 as restated	140,934
Retained profit	<u>130,339</u>
Balance at 31st December, 1977	<u><u>271,273</u></u>

9. CAPITAL COMMITMENTS
- There were no capital expenditure commitments at 31st December, 1977 (1976 Nil).

	<u>1977</u>	<u>1976</u>
	<u>£</u>	<u>£</u>
10. CONTINGENT LIABILITIES		
a. Deferred taxation	47,399	110,102
Accelerated capital allowances	<u>168,837</u>	<u>-</u>
Stock appreciation relief	<u><u>216,236</u></u>	<u><u>110,102</u></u>

Deferred tax has been calculated on the liability method at a rate of 52% on the excess of book values of the appropriate fixed assets over their written down values for tax purposes and on stock appreciation relief claimed or claimable up to 31st December, 1977.

- b. The company has given joint and several guarantees secured by fixed and floating charges on its assets in respect of the holding company overdraft.

11. ULTIMATE HOLDING COMPANY

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

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AUTOLEASE LIMITED  
SOURCE AND APPLICATION OF FUNDS  
Year ended 31st DECEMBER, 1977

1976

SOURCE OF FUNDS:	<u>£</u>	<u>£</u>
Operations		
Profit before taxation	191,039	168,385
Adjustment for item not involving the movement of funds		
Depreciation	<u>41,168</u>	<u>30,940</u>
Total funds generated from operations	232,207	199,325
Other source		
Proceeds of fixed assets sold	<u>227,991</u>	<u>287,063</u>
Total funds generated	460,198	486,388
APPLICATION OF FUNDS		
Purchase of fixed assets	<u>77,577</u>	<u>71,071</u>
Increase in working capital	<u>382,621</u>	<u>415,317</u>
REPRESENTING		
Increase in stock	421,484	24,178
(Decrease) Increase in debtors	(153,048)	318,099
Increase in creditors	(107,633)	(231,051)
Increase in cash	105	160
Increase in amounts due from other group companies	<u>221,713</u>	<u>303,931</u>
	<u>382,621</u>	<u>415,317</u>

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