

61

BRISTOL STREET MOTORS LEASING LIMITED
(formerly Autolease Limited)
DIRECTORS' REPORT

The directors present their report and statement of accounts for the year ended 31st December, 1978.

CHANGE OF NAME

At an extraordinary general meeting held on 20th March, 1978 the company changed its name from Autolease Limited to Bristol Street Motors Leasing Limited.

PRINCIPAL ACTIVITIES

The principal activity of the company is 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

The value of goods exported by the company was £Nil (1977 £Nil).

DIRECTORS

The directors at 31st December, 1978 who served throughout the year 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.B. 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.

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	
	At 31st December, 1978	At 31st December, 1977
J.B. Tustain	2,500	2,500
A. Brain	225	225

7000 1073

BRISTOL STREET MOTORS LEASING LIMITED
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DIRECTORS' REPORT

DIRECTORS' INTERESTS IN CONTRACTS

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

FIXED ASSETS

Changes in fixed assets during the year are set out in note 7 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, Messrs. 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.

6th April, 1979

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
(formerly 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 the accounts give a true and fair view of the state of affairs at 31st December, 1978 and of the profit for the year ended on that date and comply with the Companies Acts 1948 and 1967. 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

6th April, 1979

KIDSONS,

Chartered Accountants

BRISTOL STREET MOTORS LEASING LIMITED

(formerly Autolease Limited)

PROFIT AND LOSS ACCOUNT

Year ended 31st DECEMBER, 1978

1977

	<u>Note</u>	<u>£</u>	<u>£</u>
Turnover	1	<u>11,072,144</u>	<u>5,249,020</u>
Profit before taxation	2	234,916	191,039
Taxation	4	<u>(26,993)</u>	<u>(1,300)</u>
Profit after taxation		261,909	192,339
Ordinary dividend		<u>288,000</u>	<u>62,000</u>
(Loss) profit retained	6	<u>(26,091)</u>	<u>130,339</u>

Notes on accounts - pages 6 to 9

Auditors' report - page 3

BRISTOL STREET MOTORS LEASING LIMITED
(formerly Autolease Limited)

BALANCE SHEET

31st DECEMBER, 1978

1977

CAPITAL EMPLOYED:

	<u>Note</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Share capital	5		3		3
Reserves:	6		245,182		271,273
			<u>245,185</u>		<u>271,276</u>

EMPLOYMENT OF CAPITAL:

Fixed assets	7		21,850		91,153
Current assets:					
Stocks	8	977,691		445,662	
Debtors		640,932		220,625	
Amount due from holding company		482,283		847,275	
Amounts due from fellow subsidiaries		134,353		24,215	
Cash		7,571		365	
		<u>2,242,830</u>		<u>1,538,142</u>	
Current liabilities:					
Creditors		746,955		398,391	
Amounts due to other group companies for group relief		61,531		447,354	
Amounts due to fellow subsidiaries		923,009		450,274	
Proposed dividend		288,000		62,000	
		<u>2,019,495</u>		<u>1,358,019</u>	
Net current assets			223,335		180,123
			<u>245,185</u>		<u>271,276</u>

T.A. Cannon }
C.B. Justice } Directors

Notes on accounts - pages 6 to 9

Auditors' report - page 5

BRISTOL STREET MOTORS LEASING LIMITED

(formerly Autolease Limited)

NOTES ON ACCOUNTS

31st DECEMBER, 1978

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 (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

Deferred tax is calculated on the liability method in respect of timing differences due to stock appreciation relief and accelerated capital allowances. Where it is considered this potential liability will not be payable in the foreseeable future due to the likelihood of maintaining existing stock levels and the anticipated level of future capital expenditure no provision is made.

2. PROFIT BEFORE TAXATION

	<u>1978</u>	<u>1977</u>
The profit is stated after charging:	<u>£</u>	<u>£</u>
Depreciation	1,301	41,168
Directors' emoluments (note 3)	43,658	27,671
Auditors' remuneration	2,400	3,000
Interest - short term	3,150	-
Management service charge	29,800	-
	<u>57,592</u>	<u>25,471</u>
and after crediting:		
Interest receivable	<u>57,592</u>	<u>25,471</u>

BRISTOL STREET MOTORS LEASING LIMITED

(formerly Autolease Limited)

NOTES ON ACCOUNTS

31st DECEMBER, 1978

1977

3. DIRECTORS' EMOLUMENTS

As directors

For management (including pension contributions)

Emoluments of the chairman

Emoluments of the highest paid director

Number of directors whose emoluments were within the ranges:

£ 0 - £ 2,500

£ 2,501 - £ 5,000

£ 5,001 - £ 7,500

£ 7,501 - £10,000

£12,501 - £15,000

£15,001 - £17,500

£

£

-

-

43,658

27,671

Nil

Nil

17,709

15,888

Nos.

Nos.

3

4

-

1

1

1

2

-

-

1

1

-

1978

1977

4. TAXATION

The credit for the year comprises:

United Kingdom corporation tax at 52%
(1977 £Nil)

Prior year adjustment:

Corporation tax

£

£

Nil

Nil

(26,993)

(1,300)

(26,993)

(1,300)

If deferred taxation had been provided on the liability method the charge for the year would have been £122,900 (1977 £106,134). This would be made up of (£36,050) (1977 (£62,703)) in respect of accelerated capital allowances and £257,050 (1977 £168,837) in respect of stock relief, and (£98,100) in respect of losses available for set off against future profits (1977 £Nil).

5. SHARE CAPITAL (1978 and 1977)

Authorised

Issued and Fully Paid

£

£

3,000

3

Ordinary shares of £1 each

BRISTOL STREET MOTORS LEASING LIMITED

(formerly Autolease Limited)

NOTES ON ACCOUNTS

31st DECEMBER, 1978

6. RESERVES - Profit and Loss Account

	£
Balance at 31st December, 1977	271,273
Loss for the year	(26,091)
Balance at 31st December, 1978	<u>245,182</u>

7. FIXED ASSETS

	Plant, Equipment and Motor Vehicles
Cost:	£
At 31st December, 1977	372,965
Additions	813
Disposals	(292,445)
Inter-company transfers	<u>22,506</u>
At 31st December, 1978	103,839
Aggregate depreciation	<u>81,989</u>
Net Book Amount:	
31st December, 1978	<u>21,850</u>
31st December, 1977	<u>91,153</u>

1978 1977

8. STOCKS

	£	£
Vehicle stock	<u>977,691</u>	<u>445,662</u>

9. CAPITAL COMMITMENTS

There were no capital expenditure commitments at 31st December, 1978 (1977 £Nil).

10. 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.

BRISTOL STREET MOTORS LEASING LIMITED
(formerly Autolease Limited)

NOTES ON ACCOUNTS
31st DECEMBER, 1978

11. POTENTIAL LIABILITY FOR DEFERRED TAX

The potential deferred tax liability at 31st December, 1978 arising on timing differences, calculated on the liability method at 52% is as follows:

	<u>£</u>
Accelerated capital allowances	11,350
Stock appreciation relief	452,900
Losses available for set off against future profits	<u>(98,100)</u>
	<u>366,150</u>

12. ULTIMATE HOLDING COMPANY

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

Auditors' report - page 3

REGULARS OF DIRECTORS OF BRISTOL STREET MOTORS LEASING LIMITED

<u>NAME</u>	<u>ADDRESS</u>	<u>OCCUPATION</u>
Harry Gordon Cressman (U.S.A.) Date of Birth: 10.1.1927	Eastcote Paddocks, Hampton in Arden, West Midlands.	Company Director American Chamber of Commerce (UK) Ltd Charterhouse Japhet (Midlands) Ltd. Igna Limited Vauxhall Plating Jigs (B'ham) Ltd. Wolverhampton Racecourse Co. Ltd.
Thomas Charles Cannon Date of Birth: 14.9.1928	90 Knowle Wood Road, Dorridge, Solihull, West Midlands, B93 8JP	Chartered Secretary
Cornelius Brendan Justice Date of Birth: 4.6.1930	27 Trent Court, Olton, Solihull, West Midlands.	Company Director
John Bernard Tustain Date of Birth: 13.1.1945	Moss Tiles, 34 Church Avenue, Clent, Nr. Stourbridge, Worcestershire.	Managing Director
Alan Brain Date of Birth: 16.3.1938	16 Saxondale Avenue, South Yardley, Birmingham 26.	Company Director
Frederick C. Geeves Date of Birth: 3.9.1933	55 Monmouth Road, Warley, West Midlands..	Company Director
Christopher Martin Thomas Date of Birth: 4.1.1946	4 Sandy Road, Norton, Stourbridge.	Chartered Secretary
Malcolm Benjamin Goddar Date of Birth: 2.2.1941	Sledgegate Farm, Lea, Nr. Matlock, Derbyshire.	Company Director
