

63

BRISTOL STREET MOTORS LEASING LIMITED

DIRECTORS' REPORT

The directors present their report and statement of accounts for the year ended 31st December, 1979.

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 (1978 £Nil).

DIRECTORS

The directors at 31st December, 1979 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	

Mr. M.B. Goddard was appointed a director on 1st January, 1979 and resigned on the 31st August, 1979.

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, 1979</u>	<u>At 31st December, 1978</u>
J. B. Tustain	4,800	2,500
A. Brain	225	225

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 7 to the accounts.

TAXATION STATUS

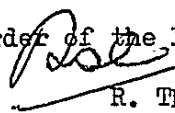
The company is not a close company within the meaning of the Income and Corporation Taxes Act 1970.

AUDITORS

The auditors, 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

By Order of the Board,  
  
R. Thorne,

for B.S.G. Secretarial Services Limited,

11th April, 1980

Secretary.

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

We have examined the accounts set out on pages 4 to 8, which 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, 1979 and of the results 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

KIDSONS,

11th April, 1980

Chartered Accountants

BRISTOL STREET MOTORS LEASING LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31st DECEMBER, 1979

1978

	<u>Note</u>	<u>£</u>	<u>£</u>
Turnover	1	<u>14,288,247</u>	<u>11,072,144</u>
Profit before taxation	2	1,930	234,916
Taxation	4	<u>84,843</u>	<u>(26,993)</u>
(Loss) profit after taxation		(82,913)	261,909
Ordinary dividend		-	288,000
Loss for the year	6	<u>(82,913)</u>	<u>(26,091)</u>

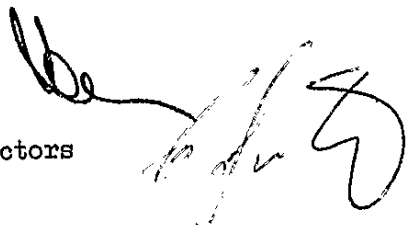
Notes on accounts - pages 6 to 8

Auditors' report - page 3

## BRISTOL STREET MOTORS LEASING LIMITED

## BALANCE SHEET

31st DECEMBER, 19791978

CAPITAL EMPLOYED:	<u>Note</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Share capital	5		3		3
Reserves	6		162,269		245,182
			<u>162,272</u>		<u>245,185</u>
EMPLOYMENT OF CAPITAL:					
Fixed assets	7		11,576		21,850
Current assets:					
Stocks	8	944,788		977,691	
Debtors		649,224		640,932	
Amount due from holding company		855,335		482,283	
Amounts due from fellow subsidiaries		124,527		134,353	
Cash		10,005		7,571	
		<u>2,583,879</u>		<u>2,242,830</u>	
Current liabilities:					
Creditors		845,109		746,955	
Amounts due to other group companies for group relief		-		61,531	
Amounts due to fellow subsidiaries		1,583,074		923,009	
Proposed dividend		-		288,000	
		<u>2,433,183</u>		<u>2,019,495</u>	
Net current assets			150,696		223,335
			<u>162,272</u>		<u>245,185</u>
T. C. Cannon	} Directors				
C. B. Justice					
Notes on accounts - pages 6 to 8					
Auditors' report - page 3					

# BRISTOL STREET MOTORS LEASING LIMITED

## NOTES ON ACCOUNTS

31st DECEMBER, 1979

### 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 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:

The profit is stated after charging:

	<u>1979</u>	<u>1978</u>
	<u>£</u>	<u>£</u>
Depreciation	3,016	1,301
Directors' emoluments (note 3)	59,119	43,658
Auditors' remuneration	3,500	2,400
Interest - short term	15,477	3,150
Management service charge	74,700	29,800
	<u>          </u>	<u>          </u>

and after crediting:

Interest receivable	<u>28,623</u>	<u>57,592</u>
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### 3. DIRECTORS' EMOLUMENTS:

As directors

For management (including pension contributions)

	<u>£</u>	<u>£</u>
	-	-
	<u>59,119</u>	<u>43,658</u>

Emoluments of the chairman

	<u>Nil</u>	<u>Nil</u>
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Emoluments of the highest paid director

	<u>29,619</u>	<u>17,709</u>
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Number of directors whose emoluments were within the ranges:

	<u>Nos.</u>	<u>Nos.</u>
£0 - £5,000	4	3
£5,001 - £10,000	2	3
£10,001 - £15,000	1	-
£15,001 - £20,000	-	1
£20,001 - £30,000	1	-

BRISTOL STREET MOTORS LEASING LIMITED

NOTES ON ACCOUNTS

31st DECEMBER, 1979

4. TAXATION:	<u>1979</u>	<u>1978</u>
The charge (credit) for the year comprises:	<u>£</u>	<u>£</u>
United Kingdom corporation tax at 52%	Nil	Nil
Prior year adjustment:		
Corporation tax	84,843	(26,993)
	<u>84,843</u>	<u>(26,993)</u>

If deferred taxation had been provided on the liability method the (credit) charge for the year would have been (£300) (1978 £122,900). This would be made up of (£5,350) (1978 £36,050) in respect of accelerated capital allowances and (£17,100) (1978 £257,050) in respect of stock relief, and £22,150 in respect of losses available for set-off against future profits (1978 £98,100)).

	<u>Authorised</u>	<u>Issued and Fully Paid</u>
5. SHARE CAPITAL (1979 and 1978):	<u>£</u>	<u>£</u>
Ordinary shares of £1 each	3,000	3
6. RESERVES - Profit and loss account:		<u>£</u>
Balance at 31st December, 1978		245,182
Loss for the year		(82,913)
Balance at 31st December, 1979		<u>162,269</u>
7. FIXED ASSETS:		<u>Plant, Equipment and Motor Vehicles</u>
Cost:		<u>£</u>
At 31st December, 1978		103,839
Additions		3,571
Disposals		(75,463)
At 31st December, 1979		31,947
Aggregate depreciation		20,371
Net book amount:		<u></u>
31st December, 1979		11,576
31st December, 1978		<u>21,850</u>

# BRISTOL STREET MOTORS LEASING LIMITED

## NOTES ON ACCOUNTS

31st DECEMBER, 1979

8. STOCKS:	<u>1979</u>	<u>1978</u>
Vehicle stock	<u>£</u>	<u>£</u>
	944,788	977,691

### 9. CAPITAL COMMITMENTS:

There were no capital expenditure commitments at 31st December, 1979 (1978 £Nil).

### 10. CONTINGENT LIABILITIES:

- 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.
- 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.

### 11. POTENTIAL LIABILITY FOR DEFERRED TAX:

The potential deferred tax liability at 31st December, 1979 arising on timing differences, calculated on the liability method at 52% is as follows:

Accelerated capital allowances	<u>£</u>
Stock appreciation relief	6,000
Losses available for set-off against future profits	351,200
	(76,200)
	<u>281,000</u>

### 12. ULTIMATE HOLDING COMPANY:

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



PARTICULARS 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) CHARTERHOUSE JAPHET (MIDLANDS) LIMITED IGNA LIMITED VAUXHALL PLATINGS JIGS (BIRMINGHAM) LIMITED WOLVERHAMPTON RACECOURSE COMPANY LIMITED
THOMAS CHARLES CANNON DATE OF BIRTH: 14.9.1928	90 KNOWLE WOOD ROAD, DORRIDGE, SOLIHULL, WEST MIDLANDS. B93 8JP	CHARTERED SECRETARY  DIRECTOR: DELLVIEW LIMITED
CORNELIUS BRENDAN JUSTICE DATE OF BIRTH: 4.6.1930	5 RIVERSIDE DRIVE, SOLIHULL, WEST MIDLANDS.	COMPANY DIRECTOR
JOHN BERNARD TUSTAIN DATE OF BIRTH: 13.1.1945	MOSS TILES, 34 CHURCH AVENUE, CLEMENT, NR. STOURBRIDGE, WORCESTERSHIRE.	MANAGING DIRECTOR
ALAN BRAIN DATE OF BIRTH: 16.3.1936	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