

634024/71

BRISTOL STREET MOTORS (BROMLEY) LIMITED

REPORT AND ACCOUNTS

31ST DECEMBER 1979

KIDSONS

Chartered Accountants

LONDON



BRISTOL STREET MOTORS (BROMLEY) LIMITED

1.

REPORT OF THE DIRECTORS

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

PRINCIPAL ACTIVITY

The company continued to trade as motor vehicle dealers.

RESULTS AND DIVIDEND

The profit and the recommended dividend for the year are shown in the profit and loss account on page 3.

FIXED ASSETS

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

EXPORTS

There were no goods exported during the year.

DIRECTORS

The directors at 31st December 1979 were:

Mr. H.G. Cressman	U.S.A.)	
Mr. C.B. Justice	)	Directors of B.S.G.
Mr. A.D. Dawson	)	International Limited
Mr. I.C.K. Black		
Mr. J.D. Lovell		

DIRECTORS' INTERESTS IN SHARES OR CONTRACT WITH THE COMPANY

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

Beneficial interests of directors (other than directors of the holding company, whose interests are disclosed in that company) in the ordinary share capital of B.S.G. International Limited, are as follows:-

	<u>Ordinary shares of 10p</u>	
	<u>1979</u>	<u>1978</u>
Mr. J.D. Lovell	500	500

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

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:

Victory House,  
Masons Hill,  
Bromley,  
Kent BR2 9HS.

By Order of the Board



R. THORNE

for B.S.G. Secretarial Services Limited

15th April 1980.

Secretary

BRISTOL STREET MOTORS (BROMLEY) LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

We have examined the accounts set out on pages 3 to 7. These have been prepared under the historical cost convention as modified by certain property revaluations.

In our opinion the accounts give a true and fair view of the state of affairs at 31st December 1979 and of the result 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.

London, 15th April 1980.

KIDSONS  
Chartered Accountants

BRISTOL STREET MOTORS (BROMLEY) LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST DECEMBER 1979

	<u>Note</u>	<u>1979</u> £	<u>1978</u> £
TURNOVER	1	<u>12,149,279</u>	<u>8,400,365</u>
PROFIT BEFORE TAXATION	2	25,700	274,366
TAXATION CREDIT (1978: CHARGE)	4	147,974	<u>(45,161)</u>
PROFIT AFTER TAXATION		173,674	229,205
ORDINARY DIVIDEND		139,000	286,000
PROFIT (1978: LOSS) FOR THE YEAR		<u>34,674</u>	<u>(56,795)</u>

The notes on pages 5 to 7 form part of these accounts.

Auditors' report - page 2.

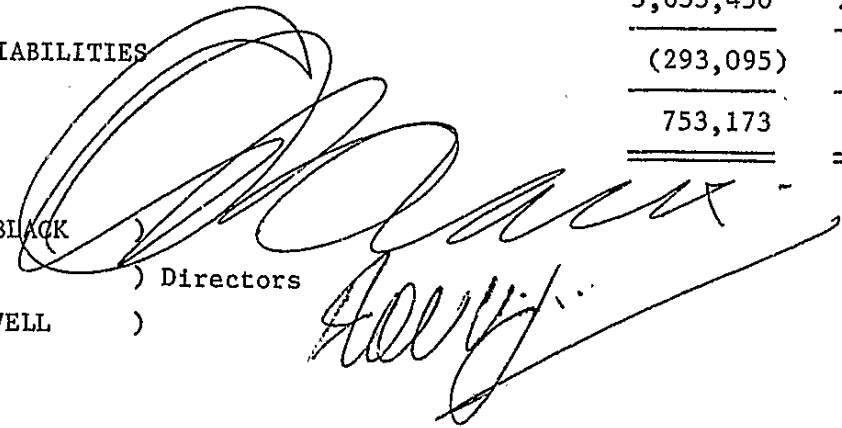
BRISTOL STREET MOTORS (BROMLEY) LIMITED  
BALANCE SHEET - 31ST DECEMBER 1979

	<u>Note</u>	<u>1979</u>	<u>1978</u>
		£	£
<u>CAPITAL EMPLOYED</u>			
SHARE CAPITAL	5	50,000	50,000
RESERVES	6	643,173	608,499
		693,173	658,499
LOAN CAPITAL	7	60,000	60,000
		753,173	718,499
 <u>EMPLOYMENT OF CAPITAL</u>			
FIXED ASSETS	8	1,046,268	1,011,504
<u>CURRENT ASSETS</u>			
Stocks	1 & 9	1,868,305	1,354,968
Debtors		643,482	415,307
Amounts due from other group companies		79,815	78,391
Group taxation relief		147,974	95,825
Cash		779	514
		2,740,355	1,945,005
 <u>CURRENT LIABILITIES</u>			
Creditors		933,158	828,473
Short term loan	10	554,035	494,174
Current taxation		45,161	124,161
Amounts due to other group companies		1,362,096	505,202
Proposed dividend		139,000	286,000
		3,033,450	2,238,010
<u>NET CURRENT LIABILITIES</u>		(293,095)	(293,005)
		753,173	718,499

I.C.K. BLACK )

) Directors

J.D. LOVELL )



The notes on pages 5 to 7 form part of these accounts.

Auditors' report - page 2.

BRISTOL STREET MOTORS (BROMLEY) LIMITED  
NOTES ON THE ACCOUNTS - 31ST DECEMBER 1979

## 1. ACCOUNTING POLICIES

- (a) Turnover  
Turnover comprises invoiced 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. The principal annual rates used for this purpose are:-

Motor vehicles	25%
Plant and equipment	10%

It is group policy to revalue freehold properties at frequent intervals and to reflect any changes in each subsidiary's accounts. Accordingly it is not considered appropriate to adopt SSAP 12 with regard to depreciation of freehold buildings.

- (c) Stocks  
Stocks are stated at the lower of cost and net realisable value.
- (d) Deferred Taxation  
The directors consider 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 and accordingly no provision has been made in these accounts.

## 2. TRADING PROFIT BEFORE TAXATION

	<u>1979</u>	<u>1978</u>
Trading profit is after charging:-	£	£
Depreciation	78,116	47,147
Auditors' remuneration	3,450	2,700
Long term interest	2,400	2,400
Short term interest	367,118	152,244
 Directors' emoluments:		
for executive services including benefits-in-kind	24,283	17,841
Profit on sale of fixed assets	(5,114)	(6,558)
Management service charge	44,800	36,300
	367,118	152,244

## 3. (a) DIRECTORS' EMOLUMENTS (excluding contributions to pension schemes):

	<u>1979</u>	<u>1978</u>
	£	£
Chairman's emoluments	Nil	Nil
Emoluments of the highest paid director	15,455	11,148
	15,455	11,148

Other directors - number whose emoluments fall in the following ranges:-

	<u>No.</u>	<u>No.</u>
£ Nil - £ 5,000	2	3
£5,001 - £10,000	1	1

## (b) EMPLOYEES WHOSE EMOLUMENTS FALL IN THE FOLLOWING RANGES:-

£20,000 - £25,000	1	-
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D.

BRISTOL STREET MOTORS (BROMLEY) LIMITED  
NOTES ON THE ACCOUNTS - 31ST DECEMBER 1979

(CONTINUED)

4. TAXATION	<u>1979</u> £	<u>1978</u> £
The credit (1978: charge) for the year comprises:		
U.K. Corporation tax based on the profits at a rate of 52% for the year	-	124,161
Prior years' adjustment	-	(79,000)
Group relief receivable	<u>(147,974)</u>	<u>-</u>
	<u>(147,974)</u>	<u>45,161</u>

If deferred taxation had been provided on the liability method the charge for the year would have been £164,400. This would be made up of £11,900 in respect of accelerated capital allowances, £217,450 in respect of stock relief and a credit of £64,950 in respect of other timing differences.

5. SHARE CAPITAL (1979 and 1978)	<u>Authorised</u>	<u>Issued and fully paid</u>
Ordinary shares of £1 each	<u>£50,000</u>	<u>£50,000</u>

6. RESERVES	<u>Non- distributable</u> £	<u>Distributable</u> £	<u>Total</u> £
At 31st December 1978	468,879	139,620	608,499
Profit for the year	-	34,674	34,674
At 31st December 1979	<u>468,879</u>	<u>174,294</u>	<u>643,173</u>

7. LOAN CAPITAL

The loan, bearing interest at the rate of 4% p.a. is repayable in 1981/84. It is secured on one of the freehold properties.

8. FIXED ASSETS	<u>Freehold property</u> £	<u>Plant equipment and vehicles</u> £	<u>Total</u> £
<u>COST OR VALUATION</u>			
At 31st December 1978	785,000	328,137	1,113,137
Additions	-	267,350	267,350
Disposals	-	(209,245)	(209,245)
At 31st December 1979	<u>785,000</u>	<u>386,242</u>	<u>1,171,242</u>
<u>AGGREGATE DEPRECIATION</u>			
	-	124,974	124,974
<u>NET BOOK AMOUNT</u>			
At 31st December 1979	<u>785,000</u>	<u>261,268</u>	<u>1,046,268</u>
At 31st December 1978	<u>785,000</u>	<u>226,504</u>	<u>1,011,504</u>

The freehold properties were professionally valued at £785,000 as at 31st December 1978. The properties were valued with the benefit of vacant possession on an existing use basis.

BRISTOL STREET MOTORS (BROMLEY) LIMITED  
NOTES ON THE ACCOUNTS - 31ST DECEMBER 1979  
(CONTINUED)

9. STOCKS

	<u>1979</u>	<u>1978</u>
	£	£
Vehicles - on consignment	554,035	494,174
- adopted	853,180	568,161
Parts for resale	461,090	292,633
	<u>1,868,305</u>	<u>1,354,968</u>

10. SHORT TERM LOAN

The short term loan is secured on the bulk deposit paid in respect of vehicles on consignment.

11. CONTINGENT LIABILITIES

(a) The amounts for deferred taxation, calculated on the liability method, that would have been provided for if deferred taxation had been accounted for are as follows:-

	<u>1979</u>
	£
Accelerated capital allowances	17,250
Stock appreciation relief	436,800
Losses available for set off against future profits	(60,850)
	<u>393,200</u>

Deferred tax has been calculated on the liability method at a rate of 52% on the excess of book values of appropriate fixed assets over their written down values for tax purposes, and on stock appreciation relief claimed or claimable up to 31st December 1979.

(b) Certain of the freehold properties of the company together with that of certain other group companies is subject to a charge to secure the debenture stock of the holding company.

(c) 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.

(d) Under supply agreements with an oil company, there is a maximum contingent liability of £14,504.

12. ULTIMATE HOLDING COMPANY

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