

52

AUTOLEASE LIMITED
DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The company continued to trade as motor vehicle hirers.

RESULTS AND DIVIDEND

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

EXPORTS

No goods were exported during the year (1979 £Nil).

DIRECTORS

The directors at 31st December, 1980, were:

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

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

Sir Reginald Bennett V.R.D. was appointed a director on 1st January, 1981.

All the other directors served throughout the year.

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
A. T. Kain	1,000	1,000
C. M. Thomas	1,000	-



AUTOLEASE LIMITED
DIRECTORS' REPORT

DIRECTORS' INTERESTS IN CONTRACTS

No director has had any beneficial interest in any 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.

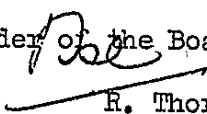
AUDITORS

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

Registered Office:

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
AUTOLEASE LIMITED

We have audited the accounts on pages 4 to 7 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

KIDSONS,

10th April, 1981

Chartered Accountants

AUTOLEASE LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31st DECEMBER, 1980

1979

	<u>Note</u>	<u>£</u>	<u>£</u>
Turnover	1	9,199,172	5,431,604
Trading profit before taxation	2	206,400	122,756
Taxation	3	108,900	71,500
Profit after taxation		97,500	51,256
Proposed dividend		-	41,000
Retained profit for the year	5	97,500	10,256

Notes on accounts - pages 6 and 7

Auditors' report - page 3

AUTOLEASE LIMITED
BALANCE SHEET
31st DECEMBER, 1980

1979

CAPITAL EMPLOYED:

	Note	£	£	£	£
Share capital	4		550		550
Reserves	5		133,414		35,914
			<u>133,964</u>		<u>36,464</u>

EMPLOYMENT OF CAPITAL:

Fixed assets	6		145,023		-
Current assets:					
Debtors		353,312		293,827	
Amount due from holding company		21,807		-	
Amount due from fellow subsidiary		465,208		959,308	
		<u>840,327</u>		<u>1,253,135</u>	
Current liabilities:					
Creditors		643,275		497,849	
Current tax		65,443		56,400	
Corporation tax payable 1st January, 1982		109,000		65,500	
Bank overdraft	7	33,668		515,121	
Amount due to holding company		-		40,801	
Proposed dividend		-		41,000	
		<u>851,386</u>		<u>1,216,671</u>	

Net current (liabilities) assets

(11,059)

36,464

133,964

36,464

T. C. Cannon

C. B. Justice

Directors

Notes on accounts - page 6 and 7

Auditors report - page 3

AUTOLEASE LIMITED
NOTES ON ACCOUNTS
31st DECEMBER, 1980

1. ACCOUNTING POLICY:

a. Turnover:

Turnover comprises rentals received from contract leasing of motor vehicles.

b. Depreciation:

Depreciation is calculated to write off the cost or valuation of all fixed assets by equal annual instalments over their expected useful lives at the following rate:

	%
Motor vehicles	30

c. Deferred taxation:

Deferred taxation 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 after charging:

	<u>1980</u>	<u>1979</u>
	<u>£</u>	<u>£</u>
Auditors' remuneration	8,000	5,500
Short term interest	12,756	-
Management service charges	53,467	49,800
Directors' emoluments:		
for services as directors	Nil	Nil
for executive services including benefits-in-kind	Nil	Nil

3. TAXATION:

The charge for the year comprises:

	<u>£</u>	<u>£</u>
U.K. corporation tax based on the profits for the year at a rate of 52%	109,000	71,500
Prior year adjustment - Corporation tax	(100)	-
	<u>108,900</u>	<u>71,500</u>

4. SHARE CAPITAL (1980 and 1979):

Ordinary shares of £1 each

	<u>Authorised</u>	<u>Issued and Fully Paid</u>
	<u>£</u>	<u>£</u>
	<u>1,000</u>	<u>550</u>

AUTOLEASE LIMITED
NOTES ON ACCOUNTS
31st DECEMBER, 1980

5. RESERVES:

	Unappropriated profits
	<u>£</u>
Balance at 31st December, 1979	35,914
Profit for the year	<u>97,500</u>
Balance at 31st December, 1980	<u>133,414</u>

6. FIXED ASSETS:

	Motor Vehicles
	<u>£</u>
Cost at 31st December, 1979	-
Additions	<u>195,663</u>
Cost at 31st December, 1980	<u>195,663</u>
Aggregate depreciation at 31st December, 1979	-
Charge for the year	<u>50,640</u>
Aggregate depreciation at 31st December, 1980	<u>50,640</u>
Net book value:	
At 31st December, 1980	<u>145,023</u>
At 31st December, 1979	<u>-</u>

7. BANK OVERDRAFT:

The bank overdraft is secured by a fixed and floating charge on the company's assets.

8. CONTINGENT LIABILITY:

Reciprocal guarantees have been given for the bank overdrafts of certain fellow subsidiary companies.

9. ULTIMATE HOLDING COMPANY:

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

Auditors' report - page 3