

**Primcrest Limited**  
**Annual Report**  
**Year Ended 30 April 1998**

**Company Registration Number 02806012**



# **Primcrest Limited**

## **Financial Statements**

**Year Ended 30 April 1998**

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# Primcrest Limited

## Directors' Report

Year Ended 30 April 1998

The directors present their report and the financial statements of the company for the year ended 30 April 1998.

### Principal Activities

The principal activity of the company during the year continued to be that of traders in motor vehicles.

### The Directors and Their Interests in Shares of the Company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 Apr 1998	At 1 May 1997
Mrs B M Belcher	50	50
M P Belcher	1	1
S J K Goss	<u>49</u>	<u>49</u>

### Auditors

A resolution to re-appoint Francis Clark as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

### Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the directors

  
S J K Goss  
Company Secretary

# **Primcrest Limited**

## **Statement of Directors' Responsibilities**

**Year Ended 30 April 1998**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies, as described on page 6, and then apply them consistently;

- make judgements and estimates that are reasonable and prudent; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Primcrest Limited**

## **Auditors' Report to the Shareholders**

**Year Ended 30 April 1998**

We have audited the financial statements on pages 4 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page 6.

### **Respective Responsibilities of the Directors and the Auditors**

As described on page 2, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### **Basis of Opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Going concern**

In forming our opinion, we have considered the adequacy of the disclosures in note 11 to the financial statements concerning the company being dependent upon the support of its related undertakings. In view of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

### **Opinion**

In our opinion the financial statements give a true and fair view of the company's state of affairs as at 30 April 1998 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

**Francis Clark**

Chartered Accountants  
NEWTON ABBOT

26 February 1999

*Francis Clark*

**Registered Auditors**

# Primcrest Limited

## Profit and Loss Account

Year Ended 30 April 1998

	Note	1998 £	1997 £
Turnover		840,405	1,802,159
Cost of sales		827,349	1,769,737
Gross Profit		13,056	32,422
Administrative expenses		132,416	166,496
Other operating income		(99,432)	(131,975)
Operating Loss	2	(19,928)	(2,099)
Interest payable		2,405	2,068
Loss on Ordinary Activities Before Taxation		(22,333)	(4,167)
Tax on loss on ordinary activities	3	-	-
Loss For the Financial Year		(22,333)	(4,167)

# Primcrest Limited

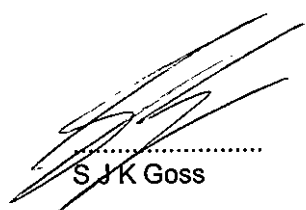
## Balance Sheet

30 April 1998

	Note	1998 £	1997 £
<b>Fixed Assets</b>			
Tangible assets	4	<u>1,108</u>	<u>1,288</u>
<b>Current Assets</b>			
Stocks		61,605	55,905
Debtors	5	87,270	206,932
Cash at bank and in hand		<u>513</u>	<u>-</u>
		149,388	262,837
<b>Creditors: Amounts falling due within one year</b>	6	<u>(226,121)</u>	<u>(324,917)</u>
<b>Net Current Liabilities</b>		<u>(76,733)</u>	<u>(62,080)</u>
<b>Total Assets Less Current Liabilities</b>		<u>(75,625)</u>	<u>(60,792)</u>
<b>Creditors: Amounts falling due after more than one year</b>	7	<u>(7,500)</u>	<u>-</u>
		<u>(83,125)</u>	<u>(60,792)</u>
<b>Capital and Reserves</b>			
Called-up equity share capital	9	100	100
Profit and loss account	10	<u>(83,225)</u>	<u>(60,892)</u>
<b>Deficiency</b>		<u>(83,125)</u>	<u>(60,792)</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

These financial statements were approved by the directors on the 26 February 1999, and are signed on their behalf by:

  
S J K Goss

# Primcrest Limited

## Notes to the Financial Statements

Year Ended 30 April 1998

### 1. Accounting Policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities.

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures, fittings & equipment                      15-25% straight line

#### Stocks

Stock is stated at the lower of cost and net realisable value using the first in first out method.

Cost comprises the actual cost of purchases. Net realisable value is the estimated selling price reduced by all costs of selling and distribution.

#### Pension costs

Retirement benefits for certain employees are provided by money purchase schemes which are funded by contributions from the company. Contributions are charged against profits of the year in which they are paid.

#### Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

#### Assets held under hire purchase agreements

Vehicles purchased for resale which are held under hire purchase agreements are treated as stock. The finance charges are allocated over the agreement period in equal monthly instalments.

### 2. Operating Loss

Operating loss is stated after charging:

	1998 £	1997 £
Directors' emoluments	55,200	55,000
Staff pension contributions	-	2,400
Depreciation	180	180
Auditors' fees	2,800	500

### 3. Tax on Loss on Ordinary Activities

No provision is necessary for corporation tax due to the availability of losses. Losses available for relief against future profits amount to £81,000 (1997 - £60,000).



# Primcrest Limited

## Notes to the Financial Statements

Year Ended 30 April 1998

### 4. Tangible Fixed Assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 May 1997 and 30 April 1998	<u>1,627</u>
<b>Depreciation</b>	
At 1 May 1997	339
Charge for the year	180
<b>At 30 April 1998</b>	<u>519</u>
<b>Net Book Value</b>	
At 30 April 1998	<u>1,108</u>
At 30 April 1997	<u>1,288</u>

### 5. Debtors

	1998 £	1997 £
Trade debtors	19,447	52,316
Amounts owed by related undertakings	65,026	136,745
Corporation Tax repayable	1,800	1,800
VAT recoverable	-	4,349
Other debtors	300	11,722
Directors' current account	697	-
	<u>87,270</u>	<u>206,932</u>

### 6. Creditors: Amounts falling due within one year

	1998 £	1997 £
Bank loans and overdrafts	-	79,769
Trade creditors	40,091	66,022
Amounts owed to related undertakings	143,048	141,753
Other creditors including:		
PAYE and social security	6,539	3,206
VAT	3,012	-
HP and finance leases	10,000	9,167
Other creditors	8,831	11,700
Directors' current accounts	14,600	13,300
	<u>42,982</u>	<u>37,373</u>
	<u>226,121</u>	<u>324,917</u>

# Primcrest Limited

## Notes to the Financial Statements

Year Ended 30 April 1998

### 6. Creditors: Amounts falling due within one year (continued)

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	1998 £	1997 £
Hire purchase agreements	<u>10,000</u>	<u>9,167</u>

### 7. Creditors: Amounts falling due after more than one year

	1998 £	1997 £
HP and finance leases	<u>7,500</u>	<u>-</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	1998 £	1997 £
Hire purchase agreements	<u>7,500</u>	<u>-</u>

### 8. Related Party Transactions

The company was under the control of its directors throughout the current and previous year.

During the year the company entered into the following transactions with companies in which the directors hold an interest:

	Bushbond Limited £	Brooklands (Exeter) Limited £	Slade & Sons Limited £	Optionallied Limited £
Management charges				
receivable	45,600	53,700	-	-
Sales	69,600	587,500	-	-
Purchases	6,316	-	-	-
Recharged expenses	-	-	-	29,122
Debtor (creditor) as at 30 April 1998	<u>(136,873)</u>	<u>(6,175)</u>	<u>35,904</u>	<u>29,122</u>

The following amounts are owed by (to) directors:

	S J K Goss £	M P Belcher £	Mrs B M Belcher £
Debtor (Creditor) as at 30 April 1998	<u>697</u>	<u>(7,300)</u>	<u>(6,000)</u>

The maximum amount owed to the company by S J K Goss during the year was £697.

# Primcrest Limited

## Notes to the Financial Statements

Year Ended 30 April 1998

### 9. Share Capital

#### Authorised share capital:

	1998 £	1997 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

#### Allotted, called up and fully paid:

	1998 £	1997 £
Ordinary share capital	<u>100</u>	<u>100</u>

### 10. Profit and Loss Account

	1998 £	1997 £
Balance brought forward	(60,892)	(56,725)
Retained loss for the financial year	<u>(22,333)</u>	<u>(4,167)</u>
Balance carried forward	<u>(83,225)</u>	<u>(60,892)</u>

### 11. Going Concern and Post Balance Sheet Events

The company's balance sheet shows an excess of liabilities over assets amounting to £83,125. The continuation of the company's activities is dependent therefore upon the support of its related undertakings.

The accounts have been prepared on the going concern basis on the assumption that their support will continue.

Since the year end the company has ceased to trade in motor vehicles. Its principal activity is now the provision of management services.