

Registered number  
3462625

PFS Asset Management Limited

Report and Accounts

for the year ended

30 November 2004



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**PFS Asset Management Limited**  
**Directors' Report**

The directors present their report and accounts for the year ended 30 November 2004.

**Principal activities and review of the business**

The company's principal activity during the year continued to be the provision of financial advice.

Turnover has increased by 230% during the year. The company is in a good position to take advantage of any opportunities which may arise in the future.

**Results and dividends**

The profit for the year, after taxation, amounted to £56,685. The directors recommended an interim ordinary dividend for the year of £22,000, which, leaves a profit of £34,685 to be retained.

**Future developments**

The directors aim to maintain the management policies which have resulted in the company's good year. They consider that the next year will show a further significant growth in turnover.

**Events since the balance sheet date**

There have been no events since the balance sheet date which would significantly affect the company

**Directors**

The directors who served during the year and their interests in the share capital of the company were as follows:

	£1 Ordinary shares	
	2004	2003
E J Cowsill	85	1
G Cowsill	15	1

**Directors' responsibilities**

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

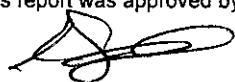
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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 accounts comply with the Companies Act 1985. They 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.

**Auditors**

A resolution to reappoint Simon Murray & Co as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 30 August 2005.



E J Cowsill  
Director

## **PFS Asset Management Limited**

### **Independent auditors' report to the shareholders of PFS Asset Management Limited**

We have audited the accounts of PFS Asset Management Limited for the year ended 30th November 2004, which comprise pages 3 to 9. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

#### **Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30th November 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Simon Murray & Co  
Registered auditors

Woburn House  
Yelverton  
Devon  
PL20 6BS

31 August 2005

**PFS Asset Management Limited**  
**Profit and Loss Account**  
**for the year ended 30 November 2004**

	Notes	2004 £	2003 £
Turnover	2	161,782	70,451
Administrative expenses		(90,897)	(46,623)
<b>Operating profit</b>	3	<u>70,885</u>	<u>23,828</u>
<b>Profit on ordinary activities before taxation</b>		<u>70,885</u>	<u>23,828</u>
Tax on profit on ordinary activities	5	(14,200)	(5,300)
<b>Profit for the financial year</b>		<u>56,685</u>	<u>18,528</u>
Dividends:			
ordinary dividend on equity shares	6	(22,000)	-
<b>Retained profit for the financial year</b>	11	<u>34,685</u>	<u>18,528</u>

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two financial years.

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the profit for the above two financial years.

**PFS Asset Management Limited**  
**Balance Sheet**  
**as at 30 November 2004**

	Notes	2004 £	2003 £
<b>Fixed assets</b>			
Intangible assets	7	54,000	57,000
<b>Current assets</b>			
Debtors	8	2,944	1,432
Cash at bank and in hand		21,830	3,291
		<u>24,774</u>	<u>4,723</u>
<b>Creditors: amounts falling due within one year</b>	9	(27,808)	(45,442)
<b>Net current liabilities</b>		<u>(3,034)</u>	<u>(40,719)</u>
		<u>50,966</u>	<u>16,281</u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account	11	50,866	16,181
Shareholders' funds:			
Equity		<u>50,966</u>	<u>16,281</u>
	12	<u>50,966</u>	<u>16,281</u>



E J Cowsill  
 Director  
 Approved by the board on 30 August 2005

**PFS Asset Management Limited**  
**Cash Flow Statement**  
**for the year ended 30 November 2004**

	<b>Notes</b>	<b>2004</b> £	<b>2003</b> £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		70,885	23,828
Amortisation of goodwill		3,000	3,000
Increase in debtors		(1,512)	(1,432)
(Decrease)/increase in creditors		(31,834)	37,542
<b>Net cash inflow from operating activities</b>		<u>40,539</u>	<u>62,938</u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow from operating activities</b>		40,539	62,938
<b>Capital expenditure</b>	13	<u>-</u>	<u>(60,000)</u>
		40,539	2,938
<b>Equity dividends paid</b>		<u>(22,000)</u>	<u>-</u>
		18,539	2,938
<b>Financing</b>	13	<u>-</u>	<u>98</u>
<b>Increase in cash</b>		<u>18,539</u>	<u>3,036</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>Increase in cash in the period</b>		18,539	3,036
<b>Change in net debt</b>	14	<u>18,539</u>	<u>3,036</u>
<b>Net funds at 1 December</b>		<u>3,291</u>	<u>255</u>
<b>Net funds at 30 November</b>		<u>21,830</u>	<u>3,291</u>

**PFS Asset Management Limited**  
**Notes to the Accounts**  
**for the year ended 30 November 2004**

**1 Accounting policies**

***Accounting convention***

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

***Deferred taxation***

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates.

**2 Turnover**

Turnover represents the fees and commissions earned by the company, net of value added tax.

Turnover is attributable to one continuing activity being the provision of financial advice.

Analysis by geographical market:	2004 £	2003 £
United Kingdom	161,782	70,451

**3 Operating profit**

This is stated after charging:

	2004 £	2003 £
Amortisation of goodwill	3,000	3,000
Auditors' remuneration	2,350	1,763

**4 Staff costs**

	2004 £	2003 £
Wages and salaries	62,314	31,946
Other pension costs	700	300
	63,014	32,246

**Average number of employees during the year**

	Number	Number
Administration	2	2
Sales	2	2
	4	4

**PFS Asset Management Limited**  
**Notes to the Accounts**  
**for the year ended 30 November 2004**

<b>5 Taxation</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
Current tax:		
UK corporation tax on profits of the period	14,200	5,300
	<hr/>	<hr/>
Tax on profit on ordinary activities	14,200	5,300

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	70,885	23,828
	<hr/>	<hr/>
Standard rate of corporation tax in the UK	19%	19%
	<b>£</b>	<b>£</b>
Profit on ordinary activities multiplied by the standard rate of corporation tax	13,468	4,527
Effects of:		
Expenses not deductible for tax purposes	732	1,244
Utilisation of tax losses	-	(471)
	<hr/>	<hr/>
Current tax charge for period	14,200	5,300

**Factors that may affect future tax charges**

There are no known factors which may affect future tax charges.

<b>6 Equity dividends</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Equity dividends on ordinary shares - interim paid	22,000	-
	<hr/>	<hr/>



**PFS Asset Management Limited**  
**Notes to the Accounts**  
**for the year ended 30 November 2004**

<b>7 Intangible fixed assets</b>	<b>£</b>
Goodwill:	
<b>Cost</b>	
At 1 December 2003	60,000
At 30 November 2004	<u>60,000</u>
<b>Amortisation</b>	
At 1 December 2003	3,000
Provided during the year	<u>3,000</u>
At 30 November 2004	<u>6,000</u>
<b>Net book value</b>	
At 30 November 2004	<u>54,000</u>
At 30 November 2003	<u>57,000</u>
Goodwill is being written off in equal annual instalments over its estimated economic life of 20 years.	

<b>8 Debtors</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Trade debtors	<u>2,944</u>	<u>1,432</u>

<b>9 Creditors: amounts falling due within one year</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Trade creditors	7,637	5,233
Corporation tax	19,500	5,300
Other taxes and social security costs	236	45
Other creditors	<u>435</u>	<u>34,864</u>
	<u>27,808</u>	<u>45,442</u>

<b>10 Share capital</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Authorised:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	100	100	<u>100</u>	<u>100</u>

<b>Movement in share capital</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
At 1 December	100	2
Shares issued	-	98
At 30 November	<u>100</u>	<u>100</u>

**PFS Asset Management Limited**  
**Notes to the Accounts**  
**for the year ended 30 November 2004**

<b>11 Profit and loss account</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
At 1 December	16,181	(2,347)
Retained profit	34,685	18,528
At 30 November	<u>50,866</u>	<u>16,181</u>

<b>12 Reconciliation of movement in shareholders' funds</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
At 1 December	16,281	(2,345)
Profit for the financial year	56,685	18,528
Dividends	(22,000)	-
Shares issued	-	98
At 30 November	<u>50,966</u>	<u>16,281</u>

<b>13 Gross cash flows</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Capital expenditure</b>		
Payments to acquire intangible fixed assets	<u>-</u>	<u>(60,000)</u>
<b>Financing</b>		
Issue of share capital	<u>-</u>	<u>98</u>

<b>14 Analysis of changes in net debt</b>	<b>At 1 Dec</b>	<b>Cash flows</b>	<b>Non-cash</b>	<b>At 30 Nov</b>
	<b>2003</b>		<b>changes</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	3,291	<u>18,539</u>		21,830
Total	<u>3,291</u>	<u>18,539</u>	<u>-</u>	<u>21,830</u>

**15 Related parties**

At 01.11.03 the company owed £34,864 to Mr E J Cowsill, a director. At 30.11.04 the company owed £435 to Mr E J Cowsill. The loan is interest free.

**16 Controlling party**

The company is controlled by Mr E J Cowsill, a director.