

PRS 1 Limited

Annual Report and Financial Statements

30 November 2019

Registered No: 3565652

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COMPANIES HOUSE

PRS 1 Limited

Registered No: 3565652

Directors

Wilmington Trust SP Services (London) Limited
Mr D J Wynne
Mr C J Duffy

Secretary

Wilmington Trust SP Services (London) Limited
Third Floor
1 King's Arms Yard
London EC2R 7AF

Registered Office

c/o Wilmington Trust SP Services (London) Limited
Third Floor
1 King's Arms Yard
London EC2R 7AF

Directors' report

The directors present their report and the unaudited consolidated financial statements for the year ended 30 November 2019.

Principal activities

The Company acts as a holding company and currently holds shares in Eurosail Options Limited, a company that has been dormant since incorporation.

Results

The results for the year are shown in the consolidated profit and loss account on page 4. Both the level of business during the year and the financial position of the Company at the end of the year were satisfactory.

Dividend

The directors do not recommend the payment of a dividend for the year (2018: £nil).

Going concern

The directors believe that the Group is a going concern and accordingly have prepared the financial statements on this basis.

Directors

The directors who held office during the year and to the date of this report were as follows:

Ms E M Hughes – Appointed 19 March 2019 and terminated on 30 September 2019

Wilmington Trust SP Services (London) Limited

Mr D J Wynne

Mr C J Duffy – Appointed on 30 September 2019

Principal risks and uncertainties

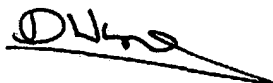
Financial instrument risks

The financial instruments held by the Group comprise cash and an investment that arise directly from its operations.

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risk arising from the Group's financial instruments is liquidity risk. Liquidity risk is the risk that investment income receivable by the Group will not arise on a timely manner to meet the Group's obligations as they fall due. The on-going liquidity risk is closely monitored by the directors.

Approved by order of the Board of directors and signed on its behalf by:



Mr D J Wynne
Director
19 August 2020

Statement of directors' responsibilities

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Consolidated profit and loss account

for the year ended 30 November 2019

	Notes	2019 £	2018 £
Interest receivable and similar income	2	-	76
Profit on ordinary activities before taxation		<u>-</u>	<u>76</u>
Tax on profit on ordinary activities	3	-	-
Profit on ordinary activities after taxation	7	<u>-</u>	<u>76</u>

The profit for the year was derived from continuing operations.

There were no recognised gains or losses other than the profit for the year and, accordingly no statement of recognised gains and losses is given.

The notes on pages 8 to 11 form part of these financial statements.

Consolidated balance sheet

at 30 November 2019

	Notes	2019 £	2018 £
Fixed assets			
Investment	5	–	–
Current Assets			
Cash at bank and in hand		73,009	73,009
Net assets		<u>73,009</u>	<u>73,009</u>
Capital and reserves			
Issued share capital	6	12,501	12,501
Retained profit	7	60,508	60,508
Total equity shareholders' funds	8	<u>73,009</u>	<u>73,009</u>


For the year ending 30 November 2019 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements of PRS 1 Limited, company registration number 03565652, on pages 4 to 11 were approved by order of the Board of directors on 19 August 2020 and signed on its behalf by:



Mr D J Wynne
Director

The notes on pages 8 to 11 form part of these financial statements.

Company balance sheet

at 30 November 2019

	Notes	2019 £	2018 £
Fixed assets			
Investments	5	1	1
Current Assets			
Cash at bank and in hand		73,008	73,008
Net assets		<u>73,009</u>	<u>73,009</u>
Capital and reserves			
Issued share capital	6	12,501	12,501
Retained profit	7	60,508	60,508
Total equity shareholders' funds	8	<u>73,009</u>	<u>73,009</u>

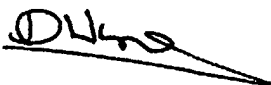
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Mr D J Wynne
Director

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Consolidated cash flow statement

at 30 November 2019

	<i>Notes</i>	<i>2019</i> £	<i>2018</i> £
Net cash inflow from operating activities	9	-	76
Increase in cash in year		-	112
Reconciliation of movement in net cash flow to movement in net debt			
	<i>Notes</i>	<i>2019</i> £	<i>2018</i> £
Increase in cash in year		-	76
Change in net debt resulting from cash flows	10	-	76
Net debt as at 1 December	10	73,009	72,933
Net debt as at 30 November	10	73,009	73,009

The notes on pages 8 to 11 form part of these financial statements.

Notes to the financial statements

at 30 November 2019

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements.

Basis of accounting

The financial statements have been prepared on a going concern basis and in accordance with applicable UK accounting standards and under the historical cost convention.

Basis of consolidation

The Group's financial statements consolidate the financial statements of the Company and all its subsidiaries for the year ended 30 November 2019. All the subsidiaries are accounted for using acquisition accounting.

In accordance with section 408 (4) of the Companies Act 2006, PRS 1 Limited is exempt from the requirement to present its own profit and loss account. The result for the year of PRS 1 Limited is disclosed in note 7 to the financial statements.

Fixed asset investment

The Company's investment in its subsidiary company is stated at cost, less provision for diminution in value where the directors consider this necessary.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Expenses

Interest receivable, interest payable and expenses are accounted for on an accruals basis.

Notes to the financial statements

at 30 November 2019

2. Interest receivable and similar income

	2019	2018
	£	£
Interest income	-	76
	<u> </u>	<u> </u>

3. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax on profit for the year	-	-
	<u> </u>	<u> </u>
Total current tax (note 3(b))	-	-
	<u> </u>	<u> </u>

(b) Factors affecting the tax charge for the year

The tax assessed on the profit on ordinary activities for the period is equal to the standard rate of corporation tax in the UK of 19% (2018: 19.25%).

	2019	2018
	£	£
Profit on ordinary activities before tax	-	176
	<u> </u>	<u> </u>
Profit on ordinary activities multiplied by the small companies' rate of corporation tax of 19% (2018: 19%)	-	14
Effects of:		
Tax losses utilised	-	(14)
	<u> </u>	<u> </u>
Total current tax (note 3(a))	-	-
	<u> </u>	<u> </u>

4. Directors and employees

The Group has no employees (2018 – none). The directors received no remuneration from the Group during the year (2018 – £nil).

Notes to the financial statements

at 30 November 2019

5. Investment

<i>Company</i>	<i>Investment in subsidiary</i>	
	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>
Cost:		
At beginning and end of the year	1	1

The undertaking in which the Company's interest at the year-end is more than 20% is as follows:

<i>Subsidiary undertaking</i>	<i>Country of origin</i>	<i>Principal activity</i>	<i>Class and percentage of shares held</i>	
			<i>Class</i>	<i>Percentage</i>
Eurosail Options Limited	England	Dormant	Ordinary £1	100%

6. Issued share capital

	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>
Allotted, called up but not paid		
12,501 ordinary shares of £1	12,501	12,501

7. Profit and loss account

	<i>Group 2019</i>	<i>Company 2019</i>	<i>Group 2018</i>	<i>Company 2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Retained profit brought forward	60,508	60,508	60,432	60,432
Profit for the year	-	-	76	76
Retained profit carried forward	60,508	60,508	60,508	60,508

8. Reconciliation of movement in shareholders' funds

	<i>Group 2019</i>	<i>Company 2019</i>	<i>Group 2018</i>	<i>Company 2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Shareholders' funds brought forward	73,009	73,009	72,933	72,933
Profit for the year	-	-	76	76
Shareholders' funds carried forward	73,009	73,009	73,009	73,009

Notes to the financial statements

at 30 November 2019

9. Reconciliation of operating profit to net cash inflow from operating activities

	2019 £	2018 £
Operating profit	-	76
Net cash inflow from operating activities	-	76

10. Analysis of net debt

	At 1 December 2018 £	Cash flow £	Non-cash movement £	At 30 November 2019 £
Cash in hand and at bank	73,009	-	-	73,009
Net debt carried forward	73,009	-	-	73,009

11. Deferred tax

Deferred taxation has been recognised at 19% (2018: 19%) being the UK small companies corporation tax rate at the balance sheet date. Losses of £48,281 (2018: £48,357) resulting in a deferred tax asset of £9,173 (2018: £9,173) have not been recognised. The deferred tax has not been recognised due to the uncertainty surrounding the Company's future profitability.

12. Capital structure

The Company's capital is represented by the capital and reserves attributable to equity holders. The Company is not subject to externally imposed capital requirements other than the minimum share capital required by the Companies Act 2006, with which it complies. The Company manages its ordinary share capital in order that there is sufficient capital to meet the needs of the Company in its operation.

13. Parent company and ultimate controlling party

Wilmington Trust SP Services (London) Limited, a company registered in England and Wales, holds all of the issued shares in the Company under a declaration of trust for charitable purposes and has no beneficial interest in the shares of the Company. As such there is no ultimate controlling party and the results of the Company are not consolidated by Wilmington Trust SP Services (London) Limited or by any other party.

Notes to the financial statements

at 30 November 2019

14. Post balance sheet events

On 23 June 2016, the UK voted to exit the European Union. The UK left the EU on 31 January 2020 and entered a transitional phase which is due to end on 31 December 2020. However, with no exit deal currently reached, it is difficult to determine the likely economic financial impact at this stage. General market conditions may slow in the short to medium term which could impact the performance of the reference portfolio. This is not expected to have any effect on the Company's ability to trade as a going concern, given the credit enhancement in the structure and the limited recourse nature of the Company's debt. However, the directors will continue to closely monitor the impact of the decision on the market and therefore on the Company.

Since early January 2020, the COVID-19 outbreak has spread across the globe, causing disruption to business and economic activity. The directors have treated this as a non-adjusting post balance sheet event as there was no significant impact on the Company and its operating environment at the year end. In view of the evolving nature of the crisis, the Directors are currently unable to estimate its financial and other effects.