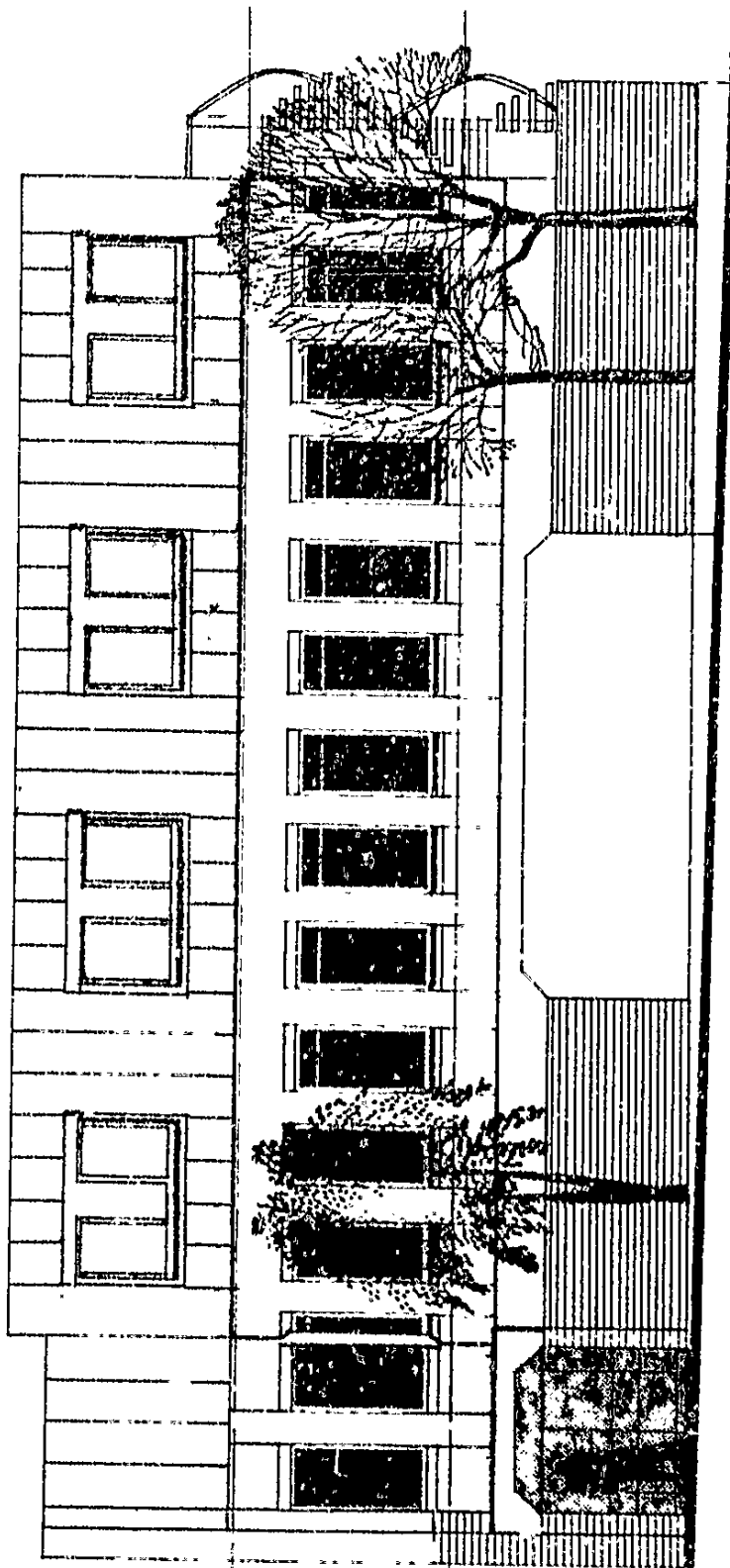


No of company 1174640 | 19

PRIORDRIVE LIMITED



26, GOSPORT STREET, LYXINGTON - Proposed development.

Priordrive Limited

Presented by:-
THE LONDON LAW AGENCY LTD.,
TEMPLE CHAMBERS,
TEMPLE AVENUE,
LONDON, EC4Y 0HP.

PRIORDRIVE LIMITED

No. *[Signature]*

DIRECTORS

J.I.STONE
G.J.HOLMES
J.GRAY, A.C.C.A., A.T.I.I.

CHAIRMAN

J.I.STONE

SECRETARY

J.GRAY, A.C.C.A., A.T.I.I.

REGISTERED OFFICE

5, CURZON PLACE,
LYMINGTON,
HAMPSHIRE

AUDITORS

ROBERT W. WATSON & CO:
23/25 NEW STREET
LYMINGTON
HAMPSHIRE

SOLICITORS

MOORE AND BLATCH
48, HIGH STREET
LYMINGTON
HAMPSHIRE

BANKERS

NATIONAL WESTMINSTER BANK, LIMITED
STATION ROAD
NEW MILTON
HAMPSHIRE

PRIORDRIVE LIMITED

No. 11714940

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the First Annual General Meeting of Priordrive Limited will be held at 3, Curzon Place, Lymington, Hampshire, on Friday 25th February, 1977 at 10.00am for the following purposes:

1. To approve the minutes of all meetings held prior to that date.
2. To receive and consider the Statement of Accounts for the year ended 14th July, 1975 and the year ended 14th July, 1976 and the Reports of the Directors and Auditors thereon.
3. To approve the Directors Remuneration for each of the years ended 14th July, 1975 and 14th July, 1976.
4. To authorise the Directors to fix the remuneration of the Auditors.
5. To consider the appointment of Auditors for the ensuing year to 14th July, 1977.
6. To transact any other ordinary business of the Company.

By Order of the Board.

J. GRAY, A.C.C.A., A.T.I.I.
(Company Secretary)
3, Curzon Place,
Lymington,
Hampshire.

21st January, 1977.

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 14TH JULY, 1976

Again the Company has had a most profitable year and I offer my thanks to everyone who has contributed to these results.

The first half of the year involved the recovery of outstanding monies from the previous year and this necessarily involved a substantial reduction in turnover. As these monies were collected the Directors started looking for new developments and although their offers on a number of sites were refused, I am pleased to report that we were successful in acquiring land at Milford on Sea ('Needles Point' development) which is being developed with seven linked bungalows.

The profits for the year show a substantial return on capital employed and your Board's policy of retaining liquidity will, I am sure, pave the way for similar if not better results in the years to come. Again, no dividend is proposed - on the contrary, your Directors strongly oppose depleting reserves - and as a result the reserves have increased somewhat faster than inflation.

The Share Capital of the Company was increased in December, 1976 to £3,000 by the creation of 2,900 Ordinary Shares ranking parri passu in all respects with the existing shares of the Company and all these new shares have been issued. This again reinforces the reserves of the Company and provides a substantial investment by the members of the Company.

In conclusion, the construction industry is still in recession and best estimates offer some expansion during 1978. If we continue our policy of controlled development I feel that your Company will be in a position to take full advantage of opportunities that will then arise.

J.I. STONE.
CHAIRMAN.

DIRECTORS REPORT FOR THE YEAR ENDED 14TH JULY, 1976

The Directors have pleasure in submitting their Report to the Members of the Company as follows:

1. **ACTIVITIES AND RESULTS** The Company carries on the trade of builders. The results and appropriations are shown in the Profit and Loss Account.
2. **TURNOVER** Turnover, excluding V.A.T. amounted to £47,308 (1975 - £250,043)
3. **EXPORTS** There were no exports (1975 - £NIL)
4. **DIVIDENDS** It is recommended that no dividend be paid. The Company is still in its infancy and the Directors feel that reserves must be increased in order to establish a sound working capital.
5. **DONATIONS** There were no political or charitable donations during the year (1975 - £NIL)
6. **DIRECTORS** The Directors and their beneficial interests in the Share Capital of the Company throughout the year were:

G.J. Holmes	40	Shares
J.I. Stone	49	Shares
J. Gray L.C.C.A., A.T.I.I.,	2	Shares
7. **DIRECTORS REMUNERATION** The Chairman received no remuneration (1975 - £4,480) and no remuneration was paid to any of the directors. The number of Directors receiving remuneration in each band of £2,500 were as follows:

£ 0 - £2,500	3	(1975 - NONE)
£ 2,501 - £5,000	None	(1975 - 3)
8. **AUDITORS** Robert W. Watson & Co: being eligible and willing to act offer themselves for re-election as auditors for the ensuing year.

Signed by Order of the Board.

J. GRAY (COMPANY SECRETARY)
21st January, 1977

Priordrive Limited

AUDITORS REPORT

I report on the accounts set out on pages 6 to 9

In my opinion the accounts give a true and fair view of the state of affairs at 14th July, 1976 and of the profit for the year ended on that date and comply with the Companies Acts 1948 and 1967.

ROBERT W. WATSON

Robert W. Watson & Co:
23/25, New Street,
Lymington,
Hants:

21st January, 1977

STATEMENT OF ACCOUNTING POLICIES

1. **TURNOVER** represents the total invoiced value of sales and work done during the year (exclusive of V.A.T.) but does not include interest receivable.
2. **FIXED ASSETS** are included at cost less depreciation.
3. **DEPRECIATION** is provided on fixed assets calculated to write down the assets over the expected term of their useful life. Depreciation of motor vehicles is calculated at 25% of cost in the year of acquisition and thereafter at 25% of written down value brought forward. No depreciation will be provided in the year in which an asset is sold.
4. **STOCK AND WORK IN PROGRESS** are valued at cost as in the opinion of the directors net realisable value exceeds cost. In arriving at cost no addition is made for overhead expenditure.
5. **DEFERRED TAXATION** is not provided for the different treatment for accountancy and taxation purposes of depreciation, interest payments and adjustment of provisions as in the opinion of the directors this is not material. Provision is made for the deferred taxation arising as a result of the tax relief on increase in stock values.
6. **CAPITAL COMMITMENTS.** There are no outstanding capital commitments at the year end.
7. **CONTINGENT LIABILITIES.** The Company has given no guarantees for others and there are no contingent liabilities at the year end.
8. **CLOSE COMPANY.** The Company is a close company within the meaning of chapter 111 of Part XI of the Income and Corporation Taxes Act, 1970.

PRIORDRIVE LIMITED

No. 1174940

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 14TH JULY, 1976

<u>1975</u>		
72,626	NET TRADING PROFIT before taxation (Note 2)	10,909
37,100	Corporation Tax for the year (Note 3)	7,300
<hr/>		
35,526	NET TRADING PROFIT after taxation	9,609
-	Balance brought forward at 14th July 1975	35,526
<u>£ 35,526</u>	Balance carried forward at 14th July 1976	<u>£ 45,135</u>

THE ATTACHED NOTES FORM PART OF THESE ACCOUNTS.

PRIORDRIVE LIMITED

No. 1174940

BALANCE SHEET AT 14TH JULY, 1976

1975

116	FIXED ASSETS	(Note 4)		1,827
	CURRENT ASSETS			
10	Stock	(Note 5)	15,000	
-	Work in Progress	(Note 6)	64,520	
70,946	Sundry Debtors		85,921	
7,869	Building Society Account		539	
			<u>165,980</u>	
	LESS CURRENT LIABILITIES			
13,458	Sundry Trade Creditors	76,941		
-	Hire Purchase Accounts	1,533		
(7,157)	Bank Overdraft (unsecured)	469		
37,100	Corporation Tax	<u>4,560</u>	83,503	
35,424	NET CURRENT ASSETS			82,477
<u>35,540</u>				<u>84,304</u>
	DEFERRED LIABILITIES			
-	Corporation Tax	(Note 3)		39,000
				<u>45,304</u>
86	Formation Expenses			86
<u>£ 35,626</u>				<u>£ 45,390</u>
	CAPITAL EMPLOYED			
	AUTHORISED SHARE CAPITAL			
£ 100	100 Ordinary Shares of £1 each		£ 100	
	ISSUED AND FULLY PAID			
100	100 Ordinary Shares of £1 each			100
35,526	PROFIT AND LOSS ACCOUNT			45,135
-	Directors Current Accounts			155
<u>£ 35,626</u>				<u>£ 45,390</u>

Signed in compliance with Section 155 of the Companies Act, 1948

J.I. STONE (DIRECTOR)

J.I. Stone

G.J. HOLMES (DIRECTOR)

Grwendoline Holmes

THE ATTACHED NOTES FORM PART OF THESE ACCOUNTS

NOTES TO ACCOUNTS FOR THE YEAR ENDED 14TH JULY, 1976

1. **TURNOVER** The total invoiced price of sales and work completed during the year amounted to £47,308 exclusive of Value Added Tax (1975 - £250,043)

2. **NET TRADING PROFIT** before taxation was arrived at after charging:

Directors Remuneration	£	nil	(1975 - £13,440)
Depreciation	£	609	(1975 - £ 38)
Audit Fee	£	50	(1975 - £ 60)
Less on Sale of Fixed Assets	£	16	(1975 - £ nil)

and after crediting:

Interest Receivable	£	3,542	(1975 - £ 5,787)
---------------------	---	-------	------------------

3. **CORPORATION TAX** is provided for at 42% of the taxable profit for the year. The Company will claim Stock Relief (Section 37 F.A. 1976) which will result in a deferralment of Corporation Tax.

4. **FIXED ASSETS** Motor Vehicles

	<u>Cost</u>	<u>Depreciation</u>	
At 14th July 1975	154	38	
Additions	2,436		
Disposals	(154)	(38)	
Charge for year		609	
At 14th July 1976	<u>£2,436</u>	<u>£ 609</u>	<u>£1,827</u>

5. **STOCK** is included in the accounts at Cost
6. **WORK IN PROGRESS** is included in the accounts at Cost
7. The Company is incorporated in England.

PRIORDRIVE LIMITED

No. 1174940

TRADING AND PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED 14TH JULY, 1976

Sales and Work completed			47,308
Less Cost of Work completed			
Purchases		91,783	
Land		7,483	
Materials		11,245	
Sub Contractors		1,223	
Plant Hire			
		<u>111,734</u>	
Add Stock at 14th July, 1975		10	
		<u>111,744</u>	
Less Stock 14th July, 1976	15,000		
Work in Progress at 14th July, 1976	<u>64,520</u>	<u>79,520</u>	<u>32,224</u>
GROSS TRADING PROFIT (31.88% of Sales)			15,084
V.A.T. Recoverable			816
Interest Receivable			<u>3,542</u>
			19,444
Directors Remuneration		273	
Motor and Travelling Expenses		20	
Printing and Stationery		3	
Advertising		40	
Telephone and Postage		2	
Bank Charges		50	
Audit Fee		11	
Hire Purchase Interest		872	
Legal and Professional Fees		639	
Selling Agents Fees		609	
Depreciation - Motor Vehicles		<u>16</u>	
Loss on Sale of Motor Vehicles			<u>2,535</u>
NET TRADING PROFIT FOR YEAR			<u>£ 16,909</u>