



**BLEMAIN FINANCE LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**31 DECEMBER 1992**

**Company Number**  
**1185052**

# BLEMAIN FINANCE LIMITED

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**BLEMAIN FINANCE LIMITED**

**COMPANY INFORMATION**

**Directors**

H N Moser

B Pollock

**Secretary**

K Barnacle

**Registered office**

No. 3 Ralli Courts  
West Riverside  
Manchester  
M3 5FT

**Company number**

1185052

**Joint auditors**

Smith Partnership  
Chartered Accountants  
No. 3 Ralli Courts  
West Riverside  
Manchester  
M3 5FT

Robson Rhodes  
Chartered Accountants  
Colwyn Chambers  
19 York Street  
Manchester  
M2 3BA

# BLEMAIN FINANCE LIMITED

## REPORT OF THE DIRECTORS

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 1992.

### PRINCIPAL ACTIVITY

The principal activity of the company continued to be that of financiers.

### REVIEW OF THE BUSINESS

The directors consider the result for the year to be satisfactory.

### RESULTS AND DIVIDEND

The results for the year are set out in detail on page 5.

The directors do not recommend the payment of a dividend leaving a loss of £495,983 (1991 profit of £19,194) to be absorbed by reserves.

### DIRECTORS

The directors who served during the year and at the date of this report are shown on page 1.

The directors interests in the share capital of the company at 31 December were as follows:

	Ordinary shares of £1 each	
	1992	1991
H N Moser	50,000	50,000
B Pollock	50,000	50,000

No director has or had any material interest in any contract or agreement entered into by the company during the year.

### FIXED ASSETS

The movement in tangible fixed assets is set out at Note 9 to the financial statements.

### CHARITABLE CONTRIBUTIONS

During the year the company made charitable donations of £671 (1991 £2,026) and no political contributions.

### AUDITORS

Smith Partnership and Robson Rhodes were appointed joint auditors in respect of the year ended 31 December 1992. Having indicated their willingness to continue in office, a resolution to reappoint Robson Rhodes as sole auditors will be proposed at the forthcoming annual general meeting.

BLEMAIN FINANCE LIMITED

REPORT OF THE DIRECTORS

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 and of the profit or loss of the company for that period. In preparing these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which 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 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.

The report of the directors was approved by the Board on 19 January 1994 and signed on its behalf by:

KEITH BARNACLE  
Secretary



BLEMAIN FINANCE LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF BLEMAIN FINANCE LIMITED

We have audited the financial statements on pages 5 to 14 which have been prepared on the basis of the accounting policies set out on pages 8 and 9.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of 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 judgments 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 1992 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Smith Partnership*

Smith Partnership  
Chartered Accountants and  
Registered Auditor  
Manchester

*Robson Rhodes*

Robson Rhodes  
Chartered Accountants and  
Registered Auditor  
Manchester

19 January 1994

19 January 1994

BLEMAIN FINANCE LIMITED  
 PROFIT AND LOSS ACCOUNT  
 FOR THE YEAR ENDED 31 DECEMBER 1992

	Note	1992 £	1991 £
TURNOVER: continuing operations	1 & 2	1,120,114	988,184
Administrative expenses		<u>(1,132,056)</u>	<u>(532,061)</u>
		(11,942)	456,123
Other operating income	3	<u>640</u>	<u>36</u>
		(11,302)	456,159
OPERATING (LOSS)/PROFIT		<u>(445,871)</u>	<u>(447,706)</u>
Interest payable and similar charges	4		
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(457,173)	8,453
Tax on (loss)/profit on ordinary activities	8	<u>(38,810)</u>	<u>10,741</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(495,983)	19,194
Retained profit brought forward		<u>1,092,064</u>	<u>1,072,870</u>
RETAINED PROFIT CARRIED FORWARD		<u>596,081</u>	<u>1,092,064</u>

# BLEMAIN FINANCE LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 December 1992

The loss for the financial year attributable to shareholders of £495,983 (1991 profit £19,194) represents the total of recognised gains and losses relating to the year.

## RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS for the year ended 31 December 1992

	1992 £	1991 £
(Loss)/profit attributable to shareholders	(495,983)	19,194
Net (decrease)/increase in shareholders' funds	(495,983)	19,194
Shareholders' funds at start of the year	<u>1,192,064</u>	<u>1,172,870</u>
Shareholders' funds at end of the year	<u>696,081</u>	<u>1,192,064</u>




**BLEMAIN FINANCE LIMITED**

**BALANCE SHEET - 31 DECEMBER 1992**

	Note	1992 £	1991 £
<b>FIXED ASSETS</b>			
Tangible assets	9	117,408	92,538
Investments	10	<u>47,287</u>	<u>50</u>
		<u>164,695</u>	<u>92,588</u>
<b>CURRENT ASSETS</b>			
Debtors due after one year	11	1,989,037	2,000,000
Debtors due within one year	11	2,944,515	3,100,010
Investments	12	8,084	670
Cash in hand		<u>41</u>	<u>41</u>
		4,941,677	5,100,721
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	<u>(3,925,984)</u>	<u>(4,000,789)</u>
NET CURRENT ASSETS		1,015,693	1,099,932
TOTAL ASSETS LESS CURRENT LIABILITIES		1,180,388	1,192,520
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	14	<u>(484,307)</u>	<u>(456)</u>
NET ASSETS		<u>696,081</u>	<u>1,192,064</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	100,000	100,000
Profit and loss account		<u>596,081</u>	<u>1,092,064</u>
SHAREHOLDERS' FUNDS		<u>696,081</u>	<u>1,192,064</u>

The financial statements were approved by the Board on 19 January 1994 and signed on its behalf by:

  
HENRY NEVILLE MOSER  
Director

BLEMAIN FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 1992

1. ACCOUNTING POLICIES

a) Basis of accounting

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

Due to the size of the company's operation, the company is exempt from publishing a cash flow statement.

b) Turnover

Turnover consists of interest received and related commissions on money lending agreements together with income derived from the provision of management services. The interest credit to the profit and loss account is calculated on a straight line basis pro rate to repayments.

c) Taxation

The charge or credit for taxation is based on the result for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future.

d) Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value or at open market value, whichever is lower. Current asset investments are stated at the lower of cost and net realisable value.

Investment properties are included in the balance sheet at their open market value and, in accordance with Statement of Standard Accounting Practice No. 19 have not been depreciated. No provision is provided as required by the Companies Act 1985 as the directors consider that the valuation results in the accounts giving a true and fair view.

e) Tangible fixed assets

Depreciation is provided on all fixed assets at rates calculated to write off the cost less estimated residual value over their estimated useful lives, as follows:

Plant & Equipment	20% per annum on cost
Office equipment	25% per annum reducing balance
Motor vehicles	25% per annum reducing balance
Computer equipment	20% on cost

# BLEMAIN FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 1992

### 1. ACCOUNTING POLICIES (Continued)

#### f) Leased assets

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership to the company are capitalised. The capital element of the related rental obligations is included in creditors. The interest element of the rental obligations is charged to the profit and loss account so as to produce a constant periodic rate of charge.

Rentals in respect of all other leases are charged to the profit and loss account as incurred.

#### g) Pension benefits

Pension benefits are funded over the employees' periods of service. The company's contributions are based on the most recent triennial actuarial valuation of the fund and are charged to the profit and loss account as incurred.

2. TURNOVER	1992 £	1991 £
Interest and commissions from money lending agreements	1,098,114	988,184
Management service income	<u>22,000</u>	<u>-</u>
	<u>1,120,114</u>	<u>988,184</u>
3. OTHER OPERATING INCOME	1992 £	1991 £
Dividends received from quoted investments	<u>640</u>	<u>36</u>
4. INTEREST PAYABLE AND SIMILAR CHARGES	1992 £	1991 £
On overdrafts and loans repayable within five years:		
Bank overdraft	291,612	292,621
Loan interest	44,513	83,939
Loan interest - Pension Fund	101,250	60,000
Hire purchase interest	3,161	7,287
Other interest	<u>5,335</u>	<u>3,859</u>
	<u>445,871</u>	<u>447,706</u>
5. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1992 £	1991 £
(Loss)/profit on ordinary activities after charging/(crediting):		
Auditors remuneration	9,000	7,500
Depreciation	33,063	31,736
Profit on sale of fixed assets	(4,234)	-
Bad debts charge	<u>316,097</u>	<u>2,064</u>

BLEMAIN FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 1992

6. EMPLOYEES	1992 £	1991 £
Staff costs, including directors:		
Wages and salaries	453,935	220,693
Social security costs	42,039	21,609
Other pension costs	<u>99,738</u>	<u>98,865</u>
	<u>595,712</u>	<u>341,167</u>

The average weekly number of employees, including directors during the year was made up as follows:

	1992 No.	1991 No.
Office and management	<u>19</u>	<u>17</u>

7. DIRECTORS	1992 £	1991 £
Salaries	185,000	34,510
Pension contributions	<u>99,738</u>	<u>97,400</u>
	<u>284,738</u>	<u>131,910</u>

Excluding pension contributions:

There was no elected chairman during the year

Highest paid director	<u>185,000</u>	<u>34,510</u>
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The emoluments of the directors, exclusive of pension contributions, were in the following ranges:

	No.	No.
£0 - £5,000	1	1
£30,001 - £35,000	-	1
£180,001 - £185,000	1	-

8. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES	1992 £	1991 £
Corporation tax credit/(charge) at 33%	-	(30,000)
Deferred taxation	(267)	40,750
Tax credit re dividends received	(160)	(9)
Adjustment in respect of prior years	<u>(38,383)</u>	<u>-</u>
	<u>(38,810)</u>	<u>10,741</u>

**BLEMAIN FINANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 DECEMBER 1992**

**9. TANGIBLE FIXED ASSETS**

	Equipment on lease £	Office equipment £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 1992	472,131	10,852	182,917	36,570	702,470
Additions	-	-	47,277	-	47,277
Transfers from related companies	-	-	56,430	-	56,430
Disposals	-	-	(10,250)	-	(10,250)
Elimination of fully depreciated assets	(472,131)	-	-	-	(472,131)
At 31 December 1992	-	10,852	276,374	36,570	323,796
<b>Depreciation</b>					
At 1 January 1992	472,131	8,399	112,097	17,305	609,932
Charge for the year	-	613	25,136	7,314	33,063
Transfers from related companies	-	-	40,009	-	40,009
Disposals	-	-	(4,485)	-	(4,485)
Elimination of fully depreciated assets	(472,131)	-	-	-	(472,131)
At 31 December 1992	-	9,012	172,757	24,619	206,388
<b>Net book value</b>					
At 31 December 1992	-	1,840	103,617	11,951	117,408
At 1 January 1992	-	2,453	70,820	19,265	92,538

Included above are motor vehicles and computer equipment held under hire purchase agreements with a net book value of £21,980 (1991 £51,235) on which depreciation of £10,261 (1991 £14,628) has been charged.

	1992 £	1991 £
<b>Capital commitments</b>		
Contracted for but not provided in the accounts	<u>Nil</u>	<u>Nil</u>
Authorised by the directors, but not contracted	<u>Nil</u>	<u>Nil</u>

# BLEMAIN FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 1992

10. FIXED ASSET INVESTMENTS	1992 £	1991 £
Shares in associated company, Spot Finance Limited, at cost	50	50
Investment properties	<u>47,237</u>	<u>-</u>
	<u>47,287</u>	<u>50</u>

Shares in Spot Finance Limited represent 50% of the issued share capital of Spot Finance Limited, a company registered in England.

Blemain Finance Limited's share of the results of Spot Finance Limited for the year ended 10 September 1992 are as follows:

	1992 £	1991 £
Profit before taxation	16,306	14,631
Taxation	<u>(4,133)</u>	<u>(3,702)</u>
Profit after taxation	<u>12,173</u>	<u>10,929</u>
Share of net assets at 10 September 1992	<u>57,615</u>	<u>45,443</u>

11. DEBTORS	1992 £	1991 £
Trade debtors falling due within one year	1,963,900	2,108,116
Due from related companies (note 18)	811,441	805,264
Corporation tax recoverable	95,000	133,383
Deferred taxation (Note 15)	40,483	40,750
Other debtors	31,775	9,775
Prepayments	<u>1,916</u>	<u>2,722</u>
	2,944,515	3,100,010
Trade debtors falling due after more than one year	<u>1,989,037</u>	<u>2,000,000</u>
	<u>4,933,552</u>	<u>5,100,010</u>

NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 1992

12. CURRENT ASSET INVESTMENTS	1992 £	1991 £
At 1 January 1992	670	670
Additions during the year	<u>7,414</u>	<u>-</u>
At 31 December 1992	<u>8,084</u>	<u>670</u>

Current asset investments represent investments in quoted shares at cost. The market value of the above shares at 31 December 1992 was £11,002.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1992 £	1991 £
Bank overdraft	2,739,480	2,431,759
Due to related companies (note 18)	815,416	563,826
Blemain Finance Limited Pension Fund	-	476,164
Directors' loan accounts	40,816	67,124
Corporation tax	30,000	30,000
Other taxes and social security	164,123	257,577
Hire purchase	6,219	9,907
Other creditors	67,519	57,317
Accruals	<u>62,411</u>	<u>107,115</u>
	<u>3,925,984</u>	<u>4,000,789</u>

The bank overdraft is secured by a mortgage debenture over the company's assets.

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1992 £	1991 £
Blemain Finance Limited Pension Fund Loan	473,262	-
Hire purchase creditors	<u>11,045</u>	<u>456</u>
	<u>484,307</u>	<u>456</u>

The hire purchase creditors fall due for repayment within five years. The loan from the company's Pension Fund is repayable on 18 March 1996 and bears interest at 3% above the prevailing bank base rate.

15. DEFERRED TAXATION	£
Deferred tax debtor	
At 1 January 1992	40,750
Transfer to profit and loss account	<u>(267)</u>
At 31 December 1992	<u>40,483</u>

The above deferred tax asset is in respect of short term timing differences and has been calculated at 25%. The company has losses available for carry forward against future profits of approximately £500,000.

# BLEMAIN FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 1992

16. CALLED UP SHARE CAPITAL	1992 £	1991 £
Authorised		
100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted and fully paid		
100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

### 17. CONTINGENT LIABILITIES

The company has guaranteed bank overdrafts of Wingwise Limited and Farnworth Car Sales Limited. At 31 December 1992, a contingent liability of £506,176 (1991 - £376,763) existed in respect of these guarantees.

### 18. RELATED COMPANIES

The following amounts are due from/(to) companies which are related by way of common shareholders or common directors. Other than Spot Finance Limited, Blemain Finance Limited does not have a direct shareholding in the companies.

	1992 £	1991 £
Debtors		
Harpmanor Limited	774,719	774,719
Spot Finance Limited (note 10)	22,424	30,545
Monarch Recoveries Limited	<u>14,298</u>	<u>-</u>
	811,441	805,264
Creditors		
Jerrold Manufacturing (Textiles) Limited	(198,664)	(124,933)
Factfocus Limited	(433,989)	(256,130)
Wingwise Limited	<u>(182,763)</u>	<u>(182,763)</u>
	(815,416)	(563,826)

H N Moser and B Pollock together control Harpmanor Limited. H N Moser has a significant interest in Jerrold Manufacturing Co (Textiles) Limited and Monarch Recoveries Limited.

B Pollock controls Wingwise Limited.

H N Moser is a director of Factfocus Limited.

Harpmanor Limited, Spot Finance Limited, Factfocus Limited, Blemain Finance Limited and Monarch Recoveries Limited trade from the same premises and share overheads.