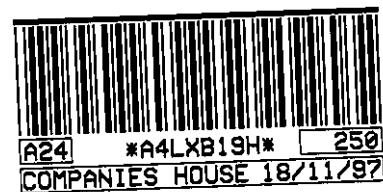


Preston Business Venture Limited
(Limited by guarantee)

Directors' report and financial statements
31 March 1997

Registered number 1783730



Preston Business Venture Limited
(Limited by guarantee)
Directors' report and financial statements

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Preston Business Venture Limited

(Limited by guarantee)

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 1997.

Principal activity

The principal activity of the company in the year was the encouragement of the growth of businesses in the Preston area.

Business review

The thirteenth year of operation has seen continued growth in the provision of advice and practical assistance to new and existing businesses.

Transfer to reserves

The deficit of income over expenditure of the company after taxation for the year is £19,735 (1996: £15,646).

Significant changes in fixed assets

Movements in fixed assets are set out in note 8 to the financial statements.

Directors and directors' interests

The directors who held office during the year were as follows:

K McGavin	NatWest Bank plc (retired)
RK Sage	Barclays Bank plc
D King (resigned October 1996)	
W Denison (resigned July 1996)	
N Cookson (resigned April 1996)	
M Gibson	University of Central Lancashire
S Watkinson	Preston Business Venture Limited
M Livesey	Brabner Holden Banks Wilson, Solicitors, Preston
N Brayne (resigned October 1996)	
LD Sorrell (resigned July 1996)	
SR Adams	Moore & Smalley, Chartered Accountants, Preston
S Noble	Lancashire County Council
D Jones (appointed April 1996 and resigned July 1997)	
P Woodburn (appointed July 1996)	Wallwork, Nelson & Johnson, Chartered Accountants, Preston
N Marshall (appointed October 1996)	NatWest Bank plc
PA Graham (appointed October 1996)	Midland Bank plc

Preston Business Venture Limited
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Directors' report

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



SR Adams
Company Secretary

Premier House
Church Street
Preston
PR1 3BQ

5 November 1997

Preston Business Venture Limited

(Limited by guarantee)

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 surplus or deficit of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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. They have a 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.



Edward VII Quay
Navigation Way
Ashton-on-Ribble
PRESTON
PR2 2YF

Report of the auditors to the members of Preston Business Venture Limited (Limited by Guarantee)

We have audited the financial statements on pages 5 to 10.

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 of 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 1997 and of its deficit of income over expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG
Chartered Accountants
Registered Auditors

5 November 1997

Preston Business Venture Limited
(Limited by guarantee)

Income and expenditure account
for the year ended 31 March 1997

	<i>Note</i>	1997 £	1996 £
Income		70,402	69,741
Administrative expenses		(91,350)	(87,468)
Trading (deficit)/surplus		(20,948)	(17,727)
Other interest receivable and similar income	6	1,596	2,775
(Deficit)/surplus of income over expenditure on ordinary activities before taxation	3-5	(19,352)	(14,952)
Tax on surplus on ordinary activities	7	(383)	(694)
(Deficit)/surplus after taxation retained for the financial year		(19,735)	(15,646)
Retained surplus brought forward		54,518	70,164
Retained surplus carried forward		34,783	54,518

Statement of total recognised gains and losses
for the year ended 31 March 1997

The retained deficit for the financial year of £19,735 (1996:-£15,646) is the only gain or loss recognised in the financial statements.

Preston Business Venture Limited

(Limited by guarantee)

Balance sheet

at 31 March 1997

	Notes	1997 £	£	1996 £	£
Fixed assets					
Tangible assets	8		2,648		4,048
Current assets					
Debtors	9	6,160		10,280	
Cash at bank and in hand		29,971		53,056	
		<u>36,131</u>		<u>63,336</u>	
Creditors: amounts falling due within one year	10	<u>(3,996)</u>		<u>(12,866)</u>	
Net current assets			32,135		50,470
Net assets			<u>34,783</u>		<u>54,518</u>
Capital and reserves					
Retained reserves			<u>34,783</u>		<u>54,518</u>

These financial statements were approved by the board of directors on 5 November 1997 and were signed on its behalf by:


K McGavin
Chairman

Preston Business Venture Limited

(Limited by guarantee)

Notes

(forming part of the financial statements)

1 Company status

The company is limited by guarantee and has no issued share capital. The liability of its members shall not exceed £1 each.

2 Accounting policies

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

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Office furniture - 20% straight line basis

Taxation

The charge for taxation is based upon the amount of gross interest received in the year at the current small companies rate of taxation.

Cash flow statement

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Income

Income represents the amounts derived from the provision of services during the year. In the opinion of the directors the activity of the business constitutes one class of trade.

3 (Deficit)/surplus on ordinary activities before taxation

	1997 £	1996 £
<i>(Deficit)/Surplus on ordinary activities before taxation is stated after charging</i>		
Auditors' remuneration	-	-
Depreciation of tangible fixed assets	1,400	1,400
	<hr/>	<hr/>

Preston Business Venture Limited

(Limited by guarantee)

Notes (*continued*)

4 Remuneration of directors

	1997 £	1996 £
Directors' emoluments:		
Remuneration as directors	18,399	17,904
Pension costs	-	-
	<u>18,399</u>	<u>17,904</u>

5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employee	
	1997	1996
Administration	2	2

The aggregate payroll costs of these persons were as follows:

	1997 £	1996 £
Wages and salaries	29,626	29,199
Social security costs	3,879	2,996
	<u>33,505</u>	<u>32,195</u>

6 Other interest receivable and similar income

	1997 £	1996 £
Bank interest	<u>1,596</u>	<u>2,775</u>

7 Taxation

	1997 £	1996 £
UK Corporation tax at 24% (1996: 25%) on bank interest received	<u>383</u>	<u>694</u>

Preston Business Venture Limited

(Limited by guarantee)

Notes (continued)

8 Tangible fixed assets

	Office furniture £
<i>Cost</i>	
At beginning of year	16,320
Additions	-
At end of year	<u>16,320</u>
<i>Depreciation</i>	
At beginning of year	12,272
Charge for year	1,400
At end of year	<u>13,672</u>
<i>Net book value</i>	
At 31 March 1997	<u>2,648</u>
At 31 March 1996	<u>4,048</u>

9 Debtors

	1997 £	1996 £
Prepayments and accrued income	<u>6,160</u>	<u>10,280</u>

All of the above amounts are due within one year.

Preston Business Venture Limited
(Limited by guarantee)

Notes *(continued)*

10	Creditors: amounts falling due within one year	1997	1996
		£	£
	Payments on account	-	5,800
	Trade creditors	2,623	5,395
	Corporation tax	383	694
	Taxation and social security	880	877
	Accruals and deferred income	110	100
		<u>3,996</u>	<u>12,866</u>

11 **Capital commitments**

There are no capital commitments at the beginning and end of the financial year.

Preston Business Venture Limited

(Limited by guarantee)

Income and Expenditure Account

for the year ended 31 March 1997

	1997			1996	
	Gross	Expenditure	Net		
	£	£	£	£	£
Income					
Courses and seminars	2,865	2,672	193		555
Business development	25,190	15,828	9,362		13,008
STEP	12,610	10,069	2,541		4,919
Be your Own Boss	-	-	-		500
Small Business of the Year	8,839	6,902	1,937		(5,621)
Leanwest Consortium	-	-	-		(106)
	<u>49,504</u>	<u>35,471</u>	<u>14,033</u>		<u>13,255</u>
Donations			17,872		25,373
PEDF loan fund			-		-
Bank interest received			1,596		2,775
			<u>33,501</u>		<u>41,403</u>
Expenditure					
Publicity		806		1,723	
Bank charges and interest		271		282	
Rent, rates and insurance		12,543		13,210	
Office running costs		1,432		1,926	
Telephone, postage etc		2,196		2,120	
Salary and NHI		33,505		32,195	
Travel expenses		1,133		1,121	
Sundry expenses		1,893		1,178	
Depreciation		1,400		1,400	
Preston Business Club		-		-	
Profit on sale of fixed assets		-		-	
Recharged expenses		(3,026)		-	
Counselling		700		1,200	
			<u>(52,853)</u>		<u>(56,355)</u>
(Deficit)/Surplus before taxation			<u>(19,352)</u>		<u>(14,952)</u>