



ARTHURANDERSEN

**Spot Finance Limited**

Annual report and accounts

For the year ended 30 June 2000

Registered number: 1998543



## **DIRECTORS**

H.N. Moser

S.E. Kramrisch

M.B. Richards (resigned 1 September 2000)

C.W. Hacking (appointed 1 September 2000)

J.E. Smith (appointed 15 June 2000, resigned 29 January 2001)

G.D. Beckett (appointed 15 June 2000)

L.S. Shuell (appointed 1 December 1999)

M. Goldberg (appointed 2 March 2001)

## **SECRETARY**

G.D. Beckett

## **REGISTERED OFFICE**

Bracken House

Charles Street

Manchester

M1 7BD

## **AUDITORS**

Arthur Andersen

Bank House

9 Charlotte Street

Manchester

M1 4EU

## **BANKERS**

Bank of Scotland

19/21 Spring Gardens

Manchester

M2 1FB

## **Directors' report**

For the year ended 30 June 2000

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 30 June 2000.

### **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 of the company 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;
- state whether applicable accounting standards have been followed, 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 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 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.

### **Principal activity and business review**

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

The directors consider the results for the year to be satisfactory and look forward to the future with confidence.

### **Results and dividends**

The results for the year are set out in detail on page 5. The directors do not recommend the payment of a dividend.

### **Directors**

The present directors of the company are set out on page 1.

H.N. Moser is a director of the company's ultimate parent company, Blemain Group plc, and as such, his interest in the share capital of that company is disclosed in its directors report.

None of the other directors have an interest in the share capital of the company. No director has, or had any material interest in any contract or agreement entered into by the company during the year, or any other interests required to be disclosed under Schedule 7 of the Companies Act 1985.

## Directors' report (continued)

### **Payments to suppliers**

The company agrees terms and conditions for its transactions with its suppliers. Payments are then made, subject to the terms and conditions being met by the suppliers.

### **Auditors**

The board will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

By order of the Board,

A handwritten signature in black ink, appearing to read 'G.D. Beckett', written in a cursive style.

G.D. Beckett  
Secretary

25 April 2001

**To the Shareholders of Spot Finance Limited:**

We have audited the accounts on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

**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 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 company's state of affairs at 30 June 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Arthur Andersen**  
**Chartered Accountants and Registered Auditors**

Bank House  
9 Charlotte Street  
Manchester  
M1 4EU

25 April 2001

## Profit and loss account

For the year ended 30 June 2000

	Notes	2000 £	1999 £
<b>Turnover</b>	2	367,594	298,766
Operating expenses		(158,899)	(136,327)
<b>Operating profit</b>		208,695	162,439
Interest payable and similar charges	3	(93,201)	(65,889)
<b>Profit on ordinary activities before taxation</b>	4	115,494	96,550
Tax on profit on ordinary activities	6	(44,631)	24,840
<b>Profit for the financial year</b>	11	70,863	121,390

All activity has arisen from continuing operations. The company made no recognised gains or losses other than the profit for the financial year.

A statement of movement of reserves is given in note 11.

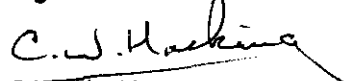
The accompanying notes are an integral part of this profit and loss account.

# Balance sheet

30 June 2000

	Notes	2000 £	1999 £
<b>Fixed assets</b>			
Tangible assets	7	655	1,086
<b>Current assets</b>			
Debtors due within one year	8	1,103,922	791,285
Debtors due after one year	8	1,120,023	659,281
Cash at bank and in hand		378	3,161
		<u>2,224,323</u>	<u>1,453,727</u>
<b>Creditors: Amounts falling due within one year</b>	9	<u>(1,638,264)</u>	<u>(938,962)</u>
<b>Net current assets</b>		<u>586,059</u>	<u>514,765</u>
<b>Net assets</b>		<u>586,714</u>	<u>515,851</u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account	11	<u>586,614</u>	<u>515,751</u>
<b>Equity shareholders' funds</b>	12	<u>586,714</u>	<u>515,851</u>

Signed on behalf of the Board

  
C.W. Hacking

H.N. Moser  
Directors



25 April 2001

The accompanying notes are an integral part of this balance sheet.

## Notes to the accounts

30 June 2000

### 1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the current year and the preceding year, is set out below.

#### a) Basis of accounting

The accounts are prepared in accordance with applicable accounting standards under the historical cost convention.

#### b) Turnover

Turnover consists of interest received and related commissions on money lending agreements. The interest credit to the profit and loss account is calculated on a straight line basis pro rata to repayments recoverable on an accruals basis.

#### c) Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation (which arises from differences in the timing of the recognition of items, principally depreciation, in the accounts and by the tax legislation) has been calculated on the liability method. Deferred taxation is provided on timing differences which will probably reverse, at the rates of tax likely to be in force at the time of the reversal. Deferred tax is not provided on timing differences which, in the opinion of the directors, will probably not reverse. However, the amount of all deferred tax, including that which will probably not reverse, is shown in note 6.

### 2 Turnover and profit before taxation

Turnover and profit before taxation, which are derived wholly from within the UK, relate to the principal activity of the company.

### 3 Interest payable

	2000	1999
	£	£
Bank overdraft	93,201	65,889

### 4 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2000	1999
	£	£
Auditors' remuneration	2,505	2,505
Depreciation - owned assets	431	206



## Notes to the accounts (continued)

### 5 Staff costs

The company had no employees and paid no directors' emoluments during either year.

### 6 Tax on profit on ordinary activities

	2000 £	1999 £
Corporation tax	34,648	4,913
Adjustment in respect of prior year corporation tax	9,983	(29,753)
	<u>44,631</u>	<u>(24,840)</u>

There is no unprovided deferred tax at the year end (1999 - £Nil).

### 7 Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
Beginning and end of year	<u>1,292</u>
<b>Depreciation</b>	
Beginning of year	206
Charge	<u>431</u>
End of year	<u>637</u>
<b>Net book value</b>	
End of year	<u>655</u>
Beginning of year	<u>1,086</u>

## Notes to the accounts (continued)

### 8 Debtors

	2000 £	1999 £
Amounts falling due within one year:		
Trade debtors	1,017,424	702,869
Amount owed by group undertakings	86,498	88,416
	<u>1,103,922</u>	<u>791,285</u>
Amounts falling due after more than one year:		
Trade debtors	1,120,023	659,281
	<u>2,223,945</u>	<u>1,450,566</u>

### 9 Creditors: Amounts falling due within one year

	2000 £	1999 £
Bank overdraft	79,271	17,793
Amounts owed to group undertakings	1,485,949	905,179
Corporation tax	49,544	8,228
Accruals and deferred income	23,500	7,762
	<u>1,638,264</u>	<u>938,962</u>

The bank overdraft is secured by way of a cross guarantee amongst all group companies.

### 10 Share capital

	2000 £	1999 £
<i>Authorised, allotted, called-up and fully paid</i>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

## Notes to the accounts (continued)

### 11 Profit and loss account

	2000 £	1999 £
Profit for the financial year	70,863	121,390
Beginning of year	515,751	394,361
End of year	<u>586,614</u>	<u>515,751</u>

### 12 Reconciliation of movements in equity shareholders' funds

	2000 £	1999 £
Profit for the financial year	70,863	121,390
Opening shareholders' funds	515,851	394,461
Closing shareholders' funds	<u>586,714</u>	<u>515,851</u>

### 13 Cash flow statement

As permitted by Financial Reporting Standard No.1 (Revised), the company has not produced a cash flow statement, as it is a wholly owned subsidiary undertaking of Blemain Group plc which has produced consolidated accounts that are publicly available.

### 14 Related party transactions

As a subsidiary undertaking of Blemain Group plc, the company has taken advantage of the exemption in FRS 8, "Related party disclosures" not to disclose transactions with other members of the group headed by Blemain Group plc.

### 15 Contingent liability

The company's assets are subject to a fixed and floating charge in respect of £50 million of bank borrowings of the group (1999 - £36 million).

### 16 Ultimate parent company

The company is a wholly owned subsidiary undertaking of Blemain Finance Limited, a company incorporated in Great Britain and registered in England and Wales.

The largest and smallest group of which Spot Finance Limited is a member and for which group accounts are drawn up, is that headed by Blemain Group plc whose principal place of business is at Bracken House, Charles Street, Manchester, M1 7BD.