

PRECIS (1080) LIMITED

ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005

Registered in England No 2623346



PRECIS (1080) LIMITED

Directors :

S J Chatwani FCA FCCA FBIM
J J Chatwani CMA (Canada) MBIM
R J Chatwani B Com

Secretary :

B Tailor BA (Hons) FCA

Auditors :

The Zane Partnership
Chartered Accountants
925 Finchley Road
London NW11 7PE

Solicitors :

Burrows
298/300 Preston Road
Harrow
Middlesex HA3 0QB

Registered Office :

25 Culver Grove
Stanmore
Middlesex HA7 2NJ

Company Number :

2623346

PRECIS (1080) LIMITED

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INDEPENDENT AUDITORS' REPORT TO PRECIS (1080) LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the full statutory accounts of the company for the year ended 30 April 2005, prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full statutory accounts.

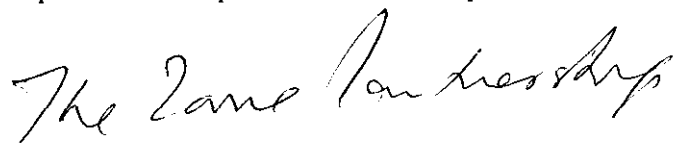
Opinion

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Other information

On 16 February 2006 we reported as Auditors to the members of the company on the financial statements prepared under Section 226 of the Companies Act 1985 and our report included the following paragraph.

The financial statements have been prepared on a going concern basis and in this regard, we draw your attention to note 1(a) on page 6. Our opinion is not qualified in this respect.



925 Finchley Road
London NW11 7PE

THE ZANE PARTNERSHIP
CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS

PRECIS (1080) LIMITED
ABBREVIATED BALANCE SHEET AT 30 APRIL 2005

	<u>NOTE</u>	<u>2005</u>	<u>2004</u>
		£	£
FIXED ASSETS			
Investment	2	1	1
CURRENT ASSETS			
Cash at bank		6,088	-
CREDITORS: Amounts falling due within one year	3	(6,700,770)	(6,753,609)
NET CURRENT LIABILITIES		(6,694,682)	(6,753,609)
NET LIABILITIES		£(6,694,681)	£(6,753,608)
CAPITAL AND RESERVES			
Share capital	4	100	100
Profit & loss account		(6,694,781)	(6,753,708)
SHAREHOLDERS' FUNDS		£(6,694,681)	£(6,753,608)

These abbreviated accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

These abbreviated financial statements were approved by the Board of Directors on 16 February 2006 and signed on its behalf by:-

S J CHATWANI)
)
 J J CHATWANI)
)
 DIRECTORS

PRECIS (1080) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005

1. ACCOUNTING POLICIES

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

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and on a going concern basis as in the opinion of the directors, this is an appropriate basis to show a true and fair view of the state of affairs of the company at the balance sheet date. No material adjustment, including additional liabilities, would arise if an alternative basis were to be adopted.

(b) Foreign currencies

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at the operating result.

(c) Deferred taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, 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. In accordance with FRS19, deferred tax is not recognised on revaluation gains. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(d) Consolidated accounts

No consolidated accounts have been prepared for Preci (1080) Limited since it is a wholly-owned subsidiary of another company incorporated in the United Kingdom.

(e) Cash flow statement

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly-owned subsidiary undertaking.

PRECIS (1080) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2005

(continued)

2. INVESTMENT

Shares in subsidiary undertakings:

At 01.05.04 and 30.04.05

£ 1

The company has a wholly-owned subsidiary, F Copson Limited, incorporated in and operating in England. The principal activity of this company is the provision of management services to its subsidiary undertakings.

Shares in subsidiary undertaking:

F Copson Limited in turn wholly-owns the ordinary shares in the following company, incorporated in and operating in England:

NAME

NATURE OF BUSINESS

LCP Building Supplies Limited

Non trading

3. CREDITORS: Amounts falling due within one year

The balance sheet amount of £6,700,770 (2004: £6,753,609), includes a bank overdraft of £Nil (2004: £2,500). The bank overdraft is secured by (a) a debenture over the assets and undertakings of the company and (b) cross guarantees by fellow subsidiary undertakings and the holding company.

4. CALLED UP SHARE CAPITAL

Authorised, issued and fully paid:
100 ordinary shares of £1 each

<u>2005</u>	<u>2004</u>
£	£
£ <u>100</u>	£ <u>100</u>

5. CONTINGENT LIABILITIES

The company has entered into cross guarantees in respect of the bank and finance companies borrowings of the parent undertaking and subsidiaries which amounted to £2,269,779 at 30 April 2005 (previous year : £2,169,359).

6. ULTIMATE HOLDING COMPANY

The ultimate holding company is Kanta Enterprises Limited, a company incorporated in Great Britain and registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Kanta Enterprises Limited. The consolidated accounts of Kanta Enterprises Limited are available to the public and may be obtained from the Registrar of Companies.