

PRT MARKETING LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1999

**Registered in England & Wales
Company Number 2825532**



PRT Marketing Limited

DIRECTORS

C D Butler
P J Reardon (resigned 15 December 1998)
R S Hancock (appointed 15 December 1998)

SECRETARY

P J Reardon (resigned 15 December 1998)
R S Hancock (appointed 15 December 1998)

AUDITORS

PricewaterhouseCoopers
1 Embankment Place
London WC2N 6NN

BANKERS

Clydesdale Bank PLC
Business Banking Centre
70 Cathedral Street
Glasgow G4 0RN

SOLICITORS

T C Young & Son
30 George Square
Glasgow G2 1LH

REGISTERED OFFICE

142 Minories
London EC3N 1LB

DIRECTORS' REPORT

The directors' present their report and financial statements for the year ended 31 March 1999

Results and Dividends

The loss for the year, after taxation, was £9,228 (1998 - loss of £15,394). The directors do not recommend the payment of a dividend.

Principal activity and review of business

The principal activity of the business continues to be the undertaking of commercial activities that raise funds in support of the company's parent undertaking, The Princess Royal Trust for Carers.

Directors' interests

No director had any beneficial interest in the share capital of the company.

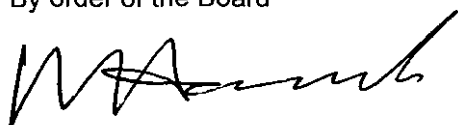
Year 2000

The directors have reviewed the risks and uncertainties related to the millennium date change. The key item of software upon which the company relies is an accounting package called SunSystems supplied by Systems Union Group Limited. The supplier has issued a certificate indicating that the version of the system used by the company is Year 2000 compliant.

Auditors

A resolution to re-appoint the auditors, PricewaterhouseCoopers, will be proposed at the Annual General Meeting.

By order of the Board



Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors 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 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 a going concern basis unless it is inappropriate to presume that the company will continue its activities.

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.

REPORT OF THE AUDITORS to the members of PRT Marketing Limited

We have audited the financial statements 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

The directors are responsible for preparing the Annual Report, including those responsibilities described on page 3 of the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit 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 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants & Registered Auditors
London

Date:

6 July 1999

PRT Marketing Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1999

		1999	1998
	Notes	£	£
TURNOVER	2	9,973	6,233
Cost of sales		(9,767)	(19,688)
		<hr/>	<hr/>
		206	(13,455)
Operating expenses	3	(10,060)	(2,124)
		<hr/>	<hr/>
OPERATING LOSS		(9,854)	(15,579)
Interest receivable		626	185
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(9,228)	(15,394)
Tax on ordinary activities		-	-
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(9,228)	(15,394)
Dividend		-	-
		<hr/>	<hr/>
RETAINED LOSS	4	(9,228)	(15,394)

There are no recognised gains or losses other than those dealt with within the profit and loss account.

PRT Marketing Limited

BALANCE SHEET AS AT 31 MARCH 1999

		1999	1998
	Notes	£	£
CURRENT ASSETS			
Stock	5	1,650	2,963
Debtors	6	495	332
Cash at bank and in hand		16,475	1,945
		<u>18,620</u>	<u>5,240</u>
CREDITORS:			
Amounts falling due within one year	7	(44,938)	(22,330)
NET CURRENT ASSETS		<u>(26,318)</u>	<u>(17,090)</u>
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Profit and loss account	9	(26,320)	(17,092)
		<u>(26,318)</u>	<u>(17,090)</u>

Director

SVE Dyben

Date

6 JULY 1999

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1999

1 ACCOUNTING POLICIES

Accounting Convention

The financial statements are prepared under the historical cost convention.

Accounting Standards

The financial statements are prepared in accordance with applicable accounting standards.

Cash Flow Statement

The company qualifies as a small company under section 247 of the Companies Act 1985. As a consequence it has taken advantage of the exemptions in Financial Reporting Standard No. 1 not to publish a cash flow statement.

Stock

Stock is valued at the lower of cost and net realisable value.

2 TURNOVER

Turnover, which is stated net of value added tax from 1 October 1998, the date on which the company registered for VAT, represents amounts charged to third parties during the year ended 31 March 1999.

Turnover is attributed to one continuing activity, that of undertaking commercial activities that raise funds in support of the company's parent undertaking, The Princess Royal Trust for Carers, which operates within *the United Kingdom*.

3 OPERATING EXPENSES

Operating expenses comprise minor disbursements on behalf of the company, together with an apportionment of the administrative costs of the parent company reflecting time spent in marketing the company's merchandise and in providing financial services and administrative support.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 1999

4 RETAINED LOSS

	1999	1998
	£	£
The Retained loss is stated after crediting:		
Interest receivable	<u>626</u>	<u>185</u>
The Retained loss is stated after charging:		
Auditors' remuneration	-	-
Directors' emoluments	<u>-</u>	<u>-</u>

The company has no employees and all administration services are provided by the parent undertaking and charged to the company at cost. Auditors' fees are subsumed within the charge disclosed in the financial statements of the parent undertaking.

5 STOCK

	1999	1998
	£	£
Goods for resale	<u>1,650</u>	<u>2,963</u>

6 DEBTORS

	1999	1998
	£	£
Other debtors	<u>495</u>	<u>332</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 1999

7 CREDITORS:

Amounts falling due within one year

	1999	1998
	£	£
Amounts owed to parent undertaking	43,852	22,330
Taxation and social security	1,086	-
	<u>44,938</u>	<u>22,330</u>

8 SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	1999	1998	1999	1998
	£	£	£	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>2</u>	<u>2</u>

**9 RECONCILIATION OF SHAREHOLDERS FUNDS AND
MOVEMENTS ON RESERVES**

	Share Capital	Profit & Loss Account	Total
	£	£	£
At 1 April 1998	2	(17,092)	(17,090)
Loss for the year	-	(9,228)	(9,228)
At 31 March 1999	<u>2</u>	<u>(26,320)</u>	<u>(26,318)</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 1999

10 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of the group of undertakings for which group financial statements have been prepared and of which the company is a member is The Princess Royal Trust for Carers, registered in Scotland.

The Princess Royal Trust for Carers has indicated its willingness to provide ongoing financial support to the company.