

Friendly Loans Limited

Abbreviated financial statements

For the 17 months ended 31 January 2003
Registered number 4291279



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St James' Square
Manchester
M2 6DS
United Kingdom

Report of the independent auditors of Friendly Loans Limited pursuant to section 247B of the Companies House Act 1985.

We have examined the abbreviated accounts set out on pages 2 to 7 together with the financial statements for Friendly Loans Limited prepared under section 226 of the Companies House Act 1985 for the period ended 31 January 2003.

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies House Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver to abbreviated accounts prepared in accordance sections 245 (5) and (6) of the Act to the Register of Companies and whether the abbreviated accounts have been properly prepared in accordance with those sections and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared. The scope of our work for the purpose of this report does not include examination or dealing with events after the date of our report on the full financial statements.

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 financial statements have been properly prepared in accordance with those proposals.

A handwritten signature in black ink, appearing to be 'K. M. G. U.', written over a horizontal line.

KPMG LLP
Chartered Accountants
Registered Auditor

27 March 2003

Balance sheet
at 31 January 2003

	<i>Note</i>	31 January 2003 £
Fixed assets		
Tangible assets	2	1,361
Current assets		
Debtors	3	71,470
Cash at bank and in hand		9,321
		80,791
Creditors: amounts falling due within one year	4	(197,567)
Net current liabilities		(116,776)
Total assets less current liabilities		(115,415)
Provisions for liabilities and charges	5	(38)
Net liabilities		(115,453)
Capital and reserves		
Called up share capital	6	1
Profit and loss account	7	(115,454)
Total equity shareholders' deficit		(115,453)

There are no prior period comparative figures as this is the first accounting period.

The notes on pages 3 to 7 form part of these financial statements.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act of 1985 relating to small companies. These financial statements were approved by the board of directors on 27th March 2003 and signed on its behalf by:


R Gough
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The principal accounting policies are summarised below. They have been applied consistently in dealing with items that 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. As the company has just commenced trading Gregory Pennington Group Limited has agreed to continue to provide financial and other support to Friendly Loans Limited for at least the next twelve months and thereafter for the foreseeable future to enable it to continue to trade.

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 a parent undertaking includes the company in its own published consolidated financial statements.

Related parties

As the company is a wholly owned subsidiary of the ultimate parent undertaking, Gregory Pennington Group Ltd, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

Fixed assets and depreciation

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

Furniture and equipment	-	25%
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Pension costs

The company does not contribute into a defined benefit or defined contribution scheme.

Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard 19.

Notes (continued)

2 Tangible fixed assets

	Furniture and equipment £	Total £
<i>Cost</i>		
At Incorporation	-	-
Additions	1,576	1,576
	<hr/>	<hr/>
At 31 January 2003	1,576	1,576
	<hr/>	<hr/>
<i>Depreciation</i>		
At Incorporation	-	-
Charge for period	215	215
	<hr/>	<hr/>
At 31 January 2003	215	215
	<hr/>	<hr/>
<i>Net book value</i>		
At 31 January 2003	1,361	1,361
	<hr/>	<hr/>
At Incorporation	-	-
	<hr/>	<hr/>

The company held no assets under hire purchase or finance lease agreements during the period.

3 Debtors: amounts falling due within one year

	31 January 2003 £
Prepayments and accrued income	22,587
Group tax recoverable from group undertakings	48,883
	<hr/>
	71,470
	<hr/>

Notes (continued)

4 Creditors: amounts falling due within one year

	31 January 2003
	£
Amounts owed to group undertakings	173,071
Trade creditors	7,088
Other taxation and social security	8,902
Other creditors	7,991
Accruals and deferred income	515
	<hr/>
	197,567
	<hr/>

5 Deferred tax

The movements in deferred taxation during the period are as follows:

	Period ended
	31 January 2003
	£
At 21 September 2001	-
Movement in the period	38
	<hr/>
At 31 January 2003	38
	<hr/>

Deferred taxation provided for in the financial statements is calculated using a tax rate of 30%. There is no deferred taxation unprovided in these financial statements.

	Amount provided
	31 January 2003
	£
Accelerated capital allowances	38
	<hr/>

Notes (continued)

6 Share capital

31 January 2003
£

Authorised

Equity: 1,000,000 ordinary shares of £1 each

1,000,000

Allotted, called up and fully paid

Equity: 1 ordinary share of £1

1

Authorised

The company was incorporated on 21 September 2001 with 1,000,000 ordinary shares of £1 each.

Allotted

The company was incorporated on 21 September 2001 and allotted one ordinary share of £1.

7 Reserves

**Profit
and loss
account**
£

On incorporation

-

Retained loss for the period

(115,454)

At 31 January 2003

(115,454)

Notes (continued)

8 Reconciliation of movements in shareholders' deficit for the period ended 31 January 2003

	31 January 2003 £
Loss for the financial period	(115,454)
Issue of share capital	1
	<hr/> (115,453) <hr/>
Net increase in shareholders' deficit	(115,453)
Opening shareholders' funds	-
	<hr/> (115,453) <hr/> <hr/>
Closing shareholders' deficit	(115,453)

9 Ultimate Parent Company

The company is a subsidiary undertaking of Gregory Pennington Group Limited.

The largest and smallest group in which the results of the company are consolidated is that headed by Gregory Pennington Group Limited incorporated in the UK. The consolidated accounts of this group are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.