

PRIMARY LTD

**Director's Report and Financial Statements
for the year ended 31 March 2017**



Company Registration number 05234954

CONTENTS

	Page
General Information	1
Director's Report	2
Independent auditors' report to the members of Primary Ltd	4
Statement of Income	7
Statement of Financial Position	8
Notes to the Financial Statements	9

General Information

Director

The director at the date of this report was Mr J A Bourne.

Company secretary

No company secretary has been appointed.

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Central Square
29 Wellington Street
Leeds, LS1 4DL

Tax advisors

Rawlinson & Hunter
Eighth Floor
6 New Street Square
New Fetter Lane
London EC4A 3AQ

Principal lawyers

Norton Rose
3 More London Riverside
London SE1 2AQ

Registered office

3 More London Riverside
London SE1 2AQ

Company registration number

05234954

Parent company

The immediate parent company is Primary Group Limited.

Director's Report

The director presents the Director's Report together with the audited financial statements for the year ended 31 March 2017.

Business review

Principal activities

The Company's principal activity was that of a holding company.

Results and performance

Turnover was £nil (2016: £nil).

The loss for the financial year attributable to the shareholder of the Company for the year ended 31 March 2017 was £9,583 (2016: £6,004) after a tax credit of £2,603 (2016: credit of £4,270). The director does not recommend payment of a dividend (2016: £nil).

Going Concern

It is the opinion of the director that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Primary Group Limited and a confirmation received from Primary Group (UK) Limited that it will not demand repayment of the group loan (see note 6) within the next 12 months unless the Company is in a position to repay.

Directors and director's interests

The director of the company who was in office during the year and up to the date of signing the financial statements was as follows:

Mr J A Bourne

Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") Section 1A – Small Entities, and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the director must not approve the financial statements unless he is satisfied that they 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Director's Report (continued)**Statement of director's responsibilities (continued)**

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and 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 2006. He is 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.

Statement as to the disclosure of information to auditors

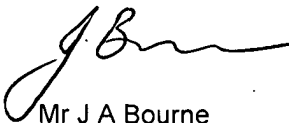
As far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

This report was approved by the board on 21 December 2017 and has been prepared in accordance with the small companies regime of the Companies Act 2006.

On behalf of the Board,



Mr J A Bourne
Director

21 December 2017

Independent auditors' report to the members of Primary Limited

Our opinion

In our opinion, Primary Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Director's Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 March 2017;
- the Statement of Income for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Director's Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Director's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of director's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Primary Limited (continued)**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the director was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit**Our responsibilities and those of the director**

As explained more fully in the Statement of director's responsibilities set out on page 2, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

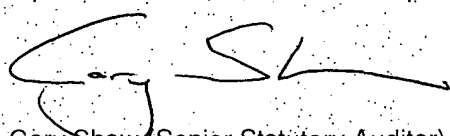
This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Director's Report, we consider whether this report includes the disclosures required by applicable legal requirements.



Gary Shaw (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds

21 December 2017

**Statement of Income
for the year ended 31 March 2017**

	Note	31 March 2017 £	31 March 2016 £
Operating (loss) / result	3	(2,060)	-
Interest payable and similar charges		(10,126)	(10,274)
Loss on ordinary activities before taxation		(12,186)	(10,274)
Tax on loss on ordinary activities	4	2,603	4,270
Loss for the financial year		<u>(9,583)</u>	<u>(6,004)</u>

All results derive from continuing operations.

There are no recognised gains or losses, other than those reflected in the loss for the financial year. Accordingly, no statement of other comprehensive income is given.

There are no material differences between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents.

The notes to the financial statements on pages 8 to 11 form an integral part of these financial statements.

**Statement of Financial Position
as at 31 March 2017**

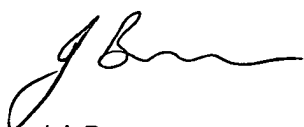
	Note	31 March 2017 £	31 March 2016 £
Fixed Assets			
Investments	5	402,085	402,085
Creditors: amounts falling due within one year	6	(421,905)	(412,322)
Net liabilities		<u>(19,820)</u>	<u>(10,237)</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(19,821)	(10,238)
Total shareholder's deficit		<u>(19,820)</u>	<u>(10,237)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes to the financial statements on pages 8 to 11 form an integral part of these financial statements.

The board approved these financial statements on 21 December 2017.

Signed on behalf of the board.



J A Bourne
Director

21 December 2017

**Notes to the Financial Statements
for the year ended 31 March 2017****1. Basis of preparation****Basis of preparation**

These financial statements are prepared in accordance with United Kingdom Accounting Standards including FRS 102 Section 1A - Small Entities and the Small Companies Regulations. The financial statements have been prepared on the historical cost basis. These policies have been consistently applied to all years presented.

Going concern

The director feels that the Company is well placed to manage its business risks. The Company recognised an operating loss in the year and the director has reviewed whether the going concern basis of preparing the financial statements continues to remain appropriate. Further to this review, the director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, he continues to adopt the going concern basis in preparing the financial statements.

Taxation

Taxation for the year comprises current and deferred tax recognised in the reporting period. Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

2. Accounting policies**Investments**

Investments are carried at cost less provisions for impairment.

Related party transactions

The company is exempt under section 33 of FRS 102 from disclosing related party transactions with entities that are part of the Primary Group Limited group.

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

3. Operating loss

The operating loss for the company was arrived at after charging:

	2017 £	2016 £
Auditors' remuneration		
Fees payable to the company's auditor for the audit of the company	(2,060)	-
At 31 March	(2,060)	-

4. Tax on (loss) / result on ordinary activities

	2017 £	2016 £
(a) Analysis of credit for the year		
Current tax:		
Group relief and similar payments (based on the loss for the year at 20% (2016: 20%))	(2,609)	(3,850)
Adjustment to tax in respect of prior years	6	(420)
Current and total tax credit for the year (note 4(b))	(2,603)	(4,270)

	2017 £	2016 £
(b) Factors affecting tax credit for the year		
The tax assessed for the year differs from the standard rate of corporation tax in the UK at 20% (2016: 20%)		
The differences are explained below:		
Loss on ordinary activities before tax	(12,186)	(10,274)
Loss on ordinary activities before taxation multiplied by standard rate of corporation tax in the UK of 20% (2016: 20%)	(2,437)	(2,055)
<i>Effects of:</i>		
Permanent differences	(172)	(1,795)
Adjustment to tax in respect of prior years	6	(420)
Total tax credit for the year	(2,603)	(4,270)

**Notes to the Financial Statements
for the year ended 31 March 2017 (continued)**

4. Tax on (loss) / result on ordinary activities (continued)

(c) Tax rate change

The main rate of corporation tax will reduce to 19% from 1 April 2017. This change was substantively enacted as part of the Finance (No. 2) Act 2015.

A further reduction to the UK Corporation tax rate was substantively enacted as part of the Finance Act 2016. This reduces the main rate to 17% from 1 April 2020.

5. Investments

	31 March 2017 £	31 March 2016 £
At 31 March	<u>402,085</u>	<u>402,085</u>

The balance represents an investment in an associate undertaking, Thistle Initiatives Limited and its wholly owned subsidiaries, Total Broker Solutions Limited, Resolution Compliance Limited, The UK Financial Services Consortium Limited, UKGI Services Limited and UKGI Limited (together the 'Thistle Group'). On 30 November 2014, the company completed its acquisition of a 30% interest in Thistle Initiatives Limited.

The share capital consisting of ordinary shares, which are held by the company are 3,000 B ordinary shares.

Associated undertaking	% Voting rights	Country of incorporation	Nature of business
Thistle Initiatives Limited	30	England	Financial services compliance

The Thistle Group are a group of private companies, incorporated in the United Kingdom and there is no quoted market price available for the shares.

**Notes to the Financial Statements
for the year ended 31 March 2017 (continued)**

6. Creditors: amounts falling due within one year

	31 March 2017 £	31 March 2016 £
Amounts owed to group undertakings	417,845	410,322
Accruals and deferred income	<u>4,060</u>	<u>2,000</u>
	<u>421,905</u>	<u>412,322</u>

7. Ultimate holding company

The ultimate holding company at the date on which the financial statements were approved was Primary Group 1 Holdings Limited, a company incorporated in Bermuda.

At the date on which the financial statements were approved, the ultimate controlling party was Mr P W H James.

The smallest and largest group in which the results of the company are consolidated is that of Primary Group Limited, its immediate parent company.

The registered address of Primary Group Limited is Canon's Court, 22 Victoria Street, Hamilton, HM EX, Bermuda.