

**PRIMARY LTD**

**Director's Report and Financial Statements  
for the year ended 31 March 2018**

**Company Registration number 05234954**



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## **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 2018.

**Business review****Principal activities**

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

**Results and performance**

Turnover was £nil (2017: £nil).

The loss for the financial year attributable to the shareholder of the Company for the year ended 31 March 2018 was £6,962 (2017: £9,583) after a tax credit of £4,544 (2017: credit of £2,603). The director does not recommend payment of a dividend (2017: £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 trading 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 Generally Accepted Accounting Practice (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). 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 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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. The directors 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.

### **Director's confirmation**

In the case of each director in office at the date the Director's Report is approved:

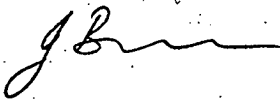
- so far as the director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's 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 24 October 2018 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

24 October 2018

# ***Independent auditors' report to the members of Primary Ltd***

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion, Primary Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Director's Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2018; the Statement of Income for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Director's Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

**Directors Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Director's Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Director's Report.

**Responsibilities for the financial statements and the audit****Responsibilities of the director for the financial statements**

As explained more fully in the Statement of director's responsibilities set out on pages 2 and 3, the director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The director is also responsible for such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**Use of this report**

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.

**Other required reporting****Companies Act 2006 exception reporting**

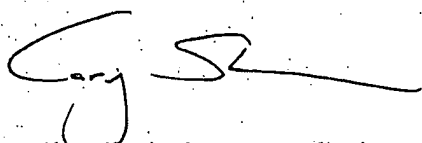
Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

**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: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Gary Shaw (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds  
25 October 2018

**Statement of Income  
for the year ended 31 March 2018**

	<b>Note</b>	<b>31 March 2018 £</b>	<b>31 March 2017 £</b>
<b>Operating loss</b>	<b>3</b>	<b>(2,000)</b>	<b>(2,060)</b>
Interest payable and similar charges		(9,506)	(10,126)
<b>Loss on ordinary activities before taxation</b>		<b>(11,506)</b>	<b>(12,186)</b>
Tax on loss on ordinary activities	<b>4</b>	<b>4,544</b>	<b>2,603</b>
<b>Loss for the financial year</b>		<b>(6,962)</b>	<b>(9,583)</b>

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 2018**

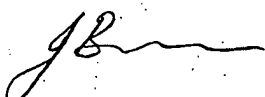
	Note	31 March 2018 £	31 March 2017 £
<b>Fixed Assets</b>			
Investments	5	402,085	402,085
<b>Creditors: amounts falling due within one year</b>	6	(428,867)	(421,905)
<b>Net liabilities</b>		<u>(26,782)</u>	<u>(19,820)</u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss account		(26,783)	(19,821)
<b>Total shareholder's deficit</b>		<u>(26,782)</u>	<u>(19,820)</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 24 October 2018.

Signed on behalf of the board.



J A Bourne  
Director

24 October 2018

**Notes to the Financial Statements  
for the year ended 31 March 2018****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**

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 trading 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.

**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 2018 (continued)

#### 3. Operating loss

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

	2018 £	2017 £
Auditors' remuneration		
Fees payable to the company's auditor for the audit of the company	(2,000)	(2,060)
At 31 March	<u>(2,000)</u>	<u>(2,060)</u>

#### 4. Tax on loss on ordinary activities

	2018 £	2017 £
<b>(a) Analysis of credit for the year</b>		
Current tax:		
Group relief and similar payments (based on the loss for the year at 19% (2017: 20%))	(4,461)	(2,609)
Adjustment to tax in respect of prior years	(83)	6
Current and total tax credit for the year (note 4(b))	<u>(4,544)</u>	<u>(2,603)</u>

	2018 £	2017 £
<b>(b) Factors affecting tax credit for the year</b>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK at 19% (2017: 20%). The differences are explained below:		
Loss on ordinary activities before tax	<u>(11,506)</u>	<u>(12,186)</u>
Loss on ordinary activities before taxation multiplied by standard rate of corporation tax in the UK of 19% (2017: 20%)	(2,186)	(2,437)
<i>Effects of:</i>		
Permanent differences	(11,236)	(172)
Unrecognised deferred tax asset	8,961	-
Adjustment to tax in respect of prior years	<u>(83)</u>	<u>6</u>
Total tax credit for the year (note 4(a))	<u>(4,544)</u>	<u>(2,603)</u>

**Notes to the Financial Statements  
for the year ended 31 March 2018 (continued)**

**4. Tax on loss on ordinary activities (continued)**

**(c) Tax rate change**

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

The Finance Act 2016 further reduced the main rate to 17% from 1 April 2020.

**5. Investments**

	<b>31 March 2018 £</b>	<b>31 March 2017 £</b>
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.

<b>Associated undertaking</b>	<b>% Voting rights</b>	<b>Country of incorporation</b>	<b>Nature of business</b>
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 2018 (continued)**

**6. Creditors: amounts falling due within one year**

	<b>31 March 2018 £</b>	<b>31 March 2017 £</b>
Amounts owed to group undertakings	422,807	417,845
Accruals and deferred income	6,060	4,060
	<u>428,867</u>	<u>421,905</u>

The intercompany loan is repayable to Primary Group (UK) Limited. The amount borrowed attracts interest at a floating rate. The loan is an unsecured loan and is not expected to become repayable in the next 12 months.

**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.