

2881008

PALMER BROTHERS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED  
31 DECEMBER 1997



**PALMER BROTHERS LIMITED**

**DIRECTORS**

Mr P Palmer  
Mrs P Palmer

**SECRETARY**

Mrs P Palmer

**REGISTERED OFFICE**

Wentworth House  
Little Aston Park Road  
Little Aston  
Sutton Coldfield  
West Midlands  
B74 3BZ

**BANKERS**

Midland Bank Plc  
Boldmere Branch  
90 Boldmere Road  
Sutton Coldfield  
West Midlands  
B73 5UA

**ACCOUNTANT**

Mr J Jones  
3 Primsland Drive  
Droitwich  
Worcester  
WR9 7QR

**COMPANY NUMBER**

2881008

**PALMER BROTHERS LIMITED**

**REPORT OF THE DIRECTORS**

**FOR THE YEAR ENDED 31 DECEMBER 1997**

The directors present their annual report with the financial statements of the company for the year ended 31 December 1997.

**PRINCIPAL ACTIVITIES**

The principal activities of the company in the year under review were the provision of consultancy services and music production.

**DIRECTORS**

The directors of the company during the year and their beneficial interests in the share capital of the company at the beginning and end of the year was as follows:-

	Ordinary shares of £1 each	
	1997	1996
Mr P Palmer	40	40
Mrs P Palmer	10	10

**SMALL COMPANY EXEMPTION**

In preparing the above report the directors have taken advantage of special exemptions applicable to small companies.

BY ORDER OF THE BOARD



Mrs P Palmer  
Secretary

Date : 25<sup>th</sup> September 1998

**Accountants' Report on the Unaudited Financial Statements**  
**to the Directors of Palmer Brothers Limited**

As described on the balance sheet you are responsible for the compilation of the financial statements for the year ended 31 December 1997, set out on pages 3 to 8 and you consider the company is exempt from audit.

In accordance with your instructions I have compiled the unaudited financial statements from the accounting records and from information and explanations supplied to me.

*J. M. Jones*

**J M JONES  
3 PRIMSLAND DRIVE  
DROITWICH SPA  
WORCS WR9 7QR**

*25 September 1998*

**PALMER BROTHERS LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 1997**

	Notes	1997 £	1996 £
<b>TURNOVER</b>	2	182,526	241,792
<b>COST OF SALES</b>		7,772	9,179
<b>GROSS PROFIT</b>		174,754	232,613
Administration expenses		22,201	13,752
<b>OPERATING PROFIT</b>	3	152,553	218,861
Income from investments		8,914	4,636
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		161,467	223,497
Tax on profit on ordinary activities	4	35,086	53,947
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		126,381	169,550
Dividend	5	79,507	3,000
		46,874	166,550
<b>Statement of retained earnings</b>			
Profit/(Loss) brought forward		75,924	( 90,626 )
Profit for the year		46,874	166,550
<b>RETAINED PROFIT CARRIED FORWARD</b>		122,798	75,924

None of the company's activities was acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than the gains or losses for the above years.

The notes on pages 5 to 8 form part of these financial statements.

**PALMER BROTHERS LIMITED**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 1997**

		1997		1996	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		2,898		3,187
<b>CURRENT ASSETS</b>					
Debtors	7	33,469		23,651	
Cash at bank and in hand		107,846		155,332	
		<hr/>		<hr/>	
		141,315		178,983	
<b>CREDITORS : Amounts falling due within one year</b>	8	21,315		106,146	
		<hr/>		<hr/>	
<b>NET CURRENT ASSETS</b>			120,000		72,837
			<hr/>		<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			122,898		76,024
<b>CREDITORS : Amounts falling due after more than one year</b>	8		-		-
			<hr/>		<hr/>
			122,898		76,024
			<hr/>		<hr/>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	9		100		100
Profit and loss account			122,798		75,924
			<hr/>		<hr/>
<b>SHAREHOLDERS FUNDS</b>	12		233,898		76,024
			<hr/>		<hr/>

The directors are satisfied that the company was entitled to exemption under subsection (1) of sections 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection (2) of section 249B.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps accounting records which comply with section 221; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Act relating to accounts so far as applicable to the company.

Advantage has been taken in the preparation of the financial statements of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company.

On behalf of the Board

*Paul Palmer*... (P Palmer - Director)

Date : 25 September 1998

The notes on pages 5 to 8 form part of these financial statements.

**PALMER BROTHERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 1997**

**1. ACCOUNTING POLICIES**

**(a) Basis of Accounting**

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention.

**(b) Depreciation**

Depreciation is provided on assets in equal instalments over their expected useful life as follows:

Office and musical equipment - 33.33% per annum straight line basis

**(c) Deferred Taxation**

Deferred taxation is provided on the liability method on all short term timing differences. Provision is also made for long term timing differences except for those which are not expected to materialise in the near future.

**(d) Small Company Exemption**

The company is exempt from the requirement to publish a cash flow statement and associated information as defined by sections 246 to 247 of the Companies Act 1985.

**(e) Turnover**

Turnover consists of the invoiced value (excluding VAT) for goods and services supplied to third parties.

**2. TURNOVER**

The turnover and pre tax profit is wholly attributable to the company's principal activities.

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	1997 £	1996 £
Amounts written off tangible assets	2,246	1,594
	<hr/>	<hr/>
INTEREST PAYABLE		
on loans wholly repayable within 5 years:		
Bank interest	5	1
	<hr/>	<hr/>

**PALMER BROTHERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 1997**

<b>4. TAXATION</b>	<b>1997</b>	<b>1996</b>
	£	£
UK corporation tax at current rate	35,086	54,490
Over-provision in previous year	-	543
	<hr/>	<hr/>
	35,086	53,947
	<hr/>	<hr/>
<b>5. DIVIDENDS</b>	<b>1997</b>	<b>1996</b>
	£	£
Interim dividend	79,507	3,000
	<hr/>	<hr/>
<b>6. FIXED ASSETS</b>	<b>Office and musical Equipment</b>	<b>Total</b>
	£	£
<b>COST</b>		
At 31 December 1996	4,781	4,781
Additions in year	1,957	1,957
	<hr/>	<hr/>
At 31 December 1997	6,738	6,738
	<hr/>	<hr/>
<b>DEPRECIATION</b>		
At 31 December 1996	1,594	1,594
Charge for year	2,246	2,246
	<hr/>	<hr/>
At 31 December 1997	3,840	3,840
	<hr/>	<hr/>
<b>NET BOOK VALUE</b>		
At 31 December 1996	3,187	3,187
	<hr/>	<hr/>
At 31 December 1997	2,898	2,898
	<hr/>	<hr/>



**PALMER BROTHERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 1997**

<b>7. DEBTORS</b>	<b>1997</b>	<b>1996</b>
	£	£
Amounts due within one year:		
Trade debtors	33,469	23,470
Directors loan account	-	181
	<u>33,469</u>	<u>23,651</u>
<b>8. CREDITORS</b>	<b>1997</b>	<b>1996</b>
	£	£
Amounts due within one year:		
Accruals	6,693	3,869
Other taxes and social security	4,890	1,674
Corporation tax	8,957	47,728
Other creditor	702	52,875
Directors loan account	73	-
	<u>21,315</u>	<u>106,146</u>
Amounts due after more than one year:		
Other creditor	-	-
	<u>-</u>	<u>-</u>
<b>9. CALLED UP SHARE CAPITAL</b>	<b>1997</b>	<b>1996</b>
	£	£
Authorised - 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid	<u>100</u>	<u>100</u>

**PALMER BROTHERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 1997**

<b>10. CAPITAL COMMITMENTS</b>	<b>1997</b>	<b>1996</b>
	£	£
Contracted	Nil	Nil
Authorised but not contracted for	Nil	Nil
	<u>          </u>	<u>          </u>

**11. CONTINGENT LIABILITIES**

In the opinion of the directors there were no contingent liabilities at the balance sheet date.

**12. SHAREHOLDERS FUNDS**

**Reconciliation of movements in shareholders funds:**

	<b>1997</b>	<b>1996</b>
	£	£
Balance brought forward	76,024	( 90,526)
Profit for the year	46,874	166,550
	<u>          </u>	<u>          </u>
Balance carried forward	122,898	76,024
	<u>          </u>	<u>          </u>

**13. RELATED COMPANY TRANSACTIONS**

In the course of trading the company charged consultancy fees to Town and Country (Liberty's) Plc a company in which Mr J B L Palmer has an interest. All transactions were carried out on an arm's length, open market basis, the consultancy received by the company being £6,000 (1996 : £14,846).