

**THE PARTNERSHIP (UNITED  
KINGDOM) LIMITED**  
**FINANCIAL STATEMENTS**  
**30TH JUNE 2006**

**Company Registration Number 4681159**

**PERKINS**  
Chartered Certified Accountants  
The Albany  
South Esplanade  
St. Peter Port  
Guernsey  
GY1 1AQ



**THE PARTNERSHIP (UNITED KINGDOM) LIMITED**

**FINANCIAL STATEMENTS**

**YEAR ENDED 30TH JUNE 2006**

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**THE PARTNERSHIP (UNITED KINGDOM) LIMITED**

**THE DIRECTOR'S REPORT**

**YEAR ENDED 30TH JUNE 2006**

The director has pleasure in presenting his report and the unaudited financial statements of the company for the year ended 30th June 2006.

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was advertising and marketing.

**DIRECTOR**

The director who served the company during the year was as follows:

Mr. D. Fyfe

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
Gravel Hill House  
Gravel Hill  
Wombourne  
Wolverhampton  
West Midlands  
WV5 9HA

Signed by



Mrs. J. Fyfe

Company secretary

Approved by the director on 20/10/06

**THE PARTNERSHIP (UNITED KINGDOM) LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30TH JUNE 2006**

|  | Note | 2006<br>£      | 2005<br>£      |
|--|------|----------------|----------------|
| <b>TURNOVER</b>                                      |      | 757,340        | 795,749        |
| Cost of sales  |      | <u>541,607</u> | <u>590,896</u> |
| <b>GROSS PROFIT</b>                                  |      | 215,733        | 204,853        |
| Administrative expenses                              |      | <u>130,776</u> | <u>150,328</u> |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |      | 84,957         | 54,525         |
| Tax on profit on ordinary activities                 | 3    | 18,884         | 22,358         |
| <b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>        |      | <u>66,073</u>  | <u>32,167</u>  |
| Balance brought forward                              |      | <u>188,710</u> | <u>156,543</u> |
| Balance carried forward                              |      | <u>254,783</u> | <u>188,710</u> |

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

## THE PARTNERSHIP (UNITED KINGDOM) LIMITED

## BALANCE SHEET

30TH JUNE 2006

|   | Note | 2006<br>£      | 2005<br>£      |
|---|------|----------------|----------------|
| <b>FIXED ASSETS</b>                                   |      |                |                |
| Tangible assets                                       | 4    | 26,224         | 29,000         |
| <b>CURRENT ASSETS</b>                                 |      |                |                |
| Stocks  |      | 47,375         | 30,000         |
| Debtors   | 5    | 238,301        | 174,362        |
| Cash at bank and in hand                              |      | 26,470         | 65,798         |
|   |      | <u>312,146</u> | <u>270,160</u> |
| <b>CREDITORS: Amounts falling due within one year</b> | 6    | <u>83,487</u>  | <u>110,350</u> |
| <b>NET CURRENT ASSETS</b>                             |      | <u>228,659</u> | <u>159,810</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |      | <u>254,883</u> | <u>188,810</u> |
| <b>CAPITAL AND RESERVES</b>                           |      |                |                |
| Called-up equity share capital                        | 8    | 100            | 100            |
| Profit and loss account                               |      | 254,783        | 188,710        |
| <b>SHAREHOLDER'S FUNDS</b>                            | 9    | <u>254,883</u> | <u>188,810</u> |

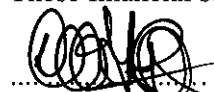
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the 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 financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved and signed by the director on 20/10/06



MR. D. FYFE

# THE PARTNERSHIP (UNITED KINGDOM) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2006

### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention.

#### Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|                                  |                        |
|----------------------------------|------------------------|
| Computers                        | - 20% straight line    |
| Office furniture, equipment etc. | - 20% reducing balance |
| Motor Vehicles                   | - 25% reducing balance |

#### Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

### 2. OPERATING PROFIT

Operating profit is stated after charging:

|                                    | 2006<br>£     | 2005<br>£     |
|------------------------------------|---------------|---------------|
| Director's emoluments              | —             | —             |
| Staff pension contributions        | 16,405        | 5,386         |
| Depreciation of owned fixed assets | 9,076         | 8,652         |
| Operating lease costs:             |               |               |
| Land and buildings                 | <u>34,387</u> | <u>21,289</u> |

**THE PARTNERSHIP (UNITED KINGDOM) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH JUNE 2006**

**3. TAXATION ON ORDINARY ACTIVITIES**

|  | <b>2006</b><br>£ | 2005<br>£     |
|--|------------------|---------------|
| Current tax:   |                  |               |
| UK Corporation tax based on the results for the year at 19% (2005 - 19%) | 18,884           | 17,600        |
| Over/under provision in prior year                                       | —                | 4,536         |
|  | 18,884           | 22,136        |
| Net interest paid  | —                | 222           |
| Total current tax  | <u>18,884</u>    | <u>22,358</u> |

**4. TANGIBLE FIXED ASSETS**

|                          | <b>Computers</b><br>£ | <b>Office<br/>furniture,<br/>equipment<br/>etc.</b><br>£ | <b>Motor<br/>Vehicles</b><br>£ | <b>Total</b><br>£ |
|--------------------------|-----------------------|--|--------------------------------|-------------------|
| <b>COST</b>              |                       |  |                                |                   |
| At 1st July 2005         | 24,646                | 11,742   | 7,243                          | 43,631            |
| Additions                | 5,444                 | 856  | —                              | 6,300             |
| <b>At 30th June 2006</b> | <u>30,090</u>         | <u>12,598</u>  | <u>7,243</u>                   | <u>49,931</u>     |
| <b>DEPRECIATION</b>      |                       |  |                                |                   |
| At 1st July 2005         | 8,721                 | 4,099  | 1,811                          | 14,631            |
| Charge for the year      | 6,018                 | 1,700  | 1,358                          | 9,076             |
| <b>At 30th June 2006</b> | <u>14,739</u>         | <u>5,799</u>   | <u>3,169</u>                   | <u>23,707</u>     |
| <b>NET BOOK VALUE</b>    |                       |  |                                |                   |
| <b>At 30th June 2006</b> | <u>15,351</u>         | <u>6,799</u>   | <u>4,074</u>                   | <u>26,224</u>     |
| At 30th June 2005        | <u>15,925</u>         | <u>7,643</u>   | <u>5,432</u>                   | <u>29,000</u>     |

**5. DEBTORS**

|                                | <b>2006</b><br>£ | 2005<br>£      |
|--------------------------------|------------------|----------------|
| Trade debtors                  | 146,108          | 171,192        |
| VAT recoverable                | —                | 33             |
| Due to parent company          | 86,157           | —              |
| Prepayments and accrued income | 6,036            | 3,137          |
|                                | <u>238,301</u>   | <u>174,362</u> |

**THE PARTNERSHIP (UNITED KINGDOM) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30TH JUNE 2006**

**6. CREDITORS: Amounts falling due within one year**

|                                     | <b>2006</b>   | <b>2005</b>    |
|-------------------------------------|---------------|----------------|
|                                     | <b>£</b>      | <b>£</b>       |
| Trade creditors                     | 51,779        | 78,081         |
| Other creditors including taxation: |               |                |
| Corporation tax                     | 18,884        | 17,600         |
| VAT                                 | 1,293         | —              |
| Due to parent company               | —             | 11,716         |
| Other creditors                     | 11,531        | 2,953          |
|                                     | <u>83,487</u> | <u>110,350</u> |

**7. RELATED PARTY TRANSACTIONS**

The company is a wholly owned subsidiary of The Partnership Limited, a company registered in Guernsey, Channel Islands. Mr D Fyfe, the sole director of the Company, is also a director and shareholder of The Partnership Limited.

**8. SHARE CAPITAL**

**Authorised share capital:**

|  | <b>2006</b> | <b>2005</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| <b>Allotted, called up and fully paid:</b> |             |             |
|  | <b>2006</b> | <b>2005</b> |
|  | <b>No</b>   | <b>No</b>   |
|  | <b>£</b>    | <b>£</b>    |
| Ordinary shares of £1 each                 | <u>100</u>  | <u>100</u>  |
|  | <u>100</u>  | <u>100</u>  |

**9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**

|                                    | <b>2006</b>    | <b>2005</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>£</b>       | <b>£</b>       |
| Profit for the financial year      | 66,073         | 32,167         |
| Opening shareholder's equity funds | 188,810        | 156,643        |
| Closing shareholder's equity funds | <u>254,883</u> | <u>188,810</u> |

**10. ULTIMATE PARENT COMPANY**

The ultimate parent company is The Partnership Limited, a company registered in Guernsey, Channel Islands.

**THE PARTNERSHIP (UNITED KINGDOM) LIMITED**  
**MANAGEMENT INFORMATION**  
**YEAR ENDED 30TH JUNE 2006**

**The following pages do not form part of the statutory financial statements.**

**THE PARTNERSHIP (UNITED KINGDOM) LIMITED**

**ACCOUNTANTS' REPORT TO THE DIRECTOR OF THE PARTNERSHIP  
(UNITED KINGDOM) LIMITED**

**YEAR ENDED 30TH JUNE 2006**

As described on the balance sheet, the director of the company is responsible for the preparation of the financial statements for the year ended 30th June 2006, set out on pages 2 to 6.

You consider that the company is exempt from an audit under the Companies Act 1985.

In accordance with your instructions we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



PERKINS  
Chartered Certified Accountants

The Albany  
South Esplanade  
St. Peter Port  
Guernsey  
GY1 1AQ

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**THE PARTNERSHIP (UNITED KINGDOM) LIMITED**  
**DETAILED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30TH JUNE 2006**

|   | 2006           |                | 2005           |
|---|----------------|----------------|----------------|
|   | £              | £              | £              |
| <b>TURNOVER</b>                               |                | 757,340        | 795,749        |
| <b>COST OF SALES</b>                          |                |                |                |
| Opening work-in-progress                      | 30,000         |                | 25,500         |
| Printing, stationery, publication costs, etc. | 257,879        |                | 323,539        |
| Wages and national insurance                  | 209,884        |                | 191,557        |
| Directors salaries                            | 74,814         |                | 74,914         |
| Staff pensions and healthcare                 | 16,405         |                | 5,386          |
|   | <u>588,982</u> |                | <u>620,896</u> |
| Closing work-in-progress                      | (47,375)       |                | (30,000)       |
|   |                | <u>541,607</u> | <u>590,896</u> |
| <b>GROSS PROFIT</b>                           |                | 215,733        | 204,853        |
| <b>OVERHEADS</b>                              |                |                |                |
| Rent and rates                                | 34,387         |                | 21,289         |
| Light and heat                                | 4,078          |                | —              |
| Insurance                                     | 1,539          |                | 750            |
| Repairs and maintenance                       | 1,707          |                | 1,198          |
| New office costs                              | —              |                | 36,114         |
| Cleaning of premises                          | 1,235          |                | 536            |
| Motor expenses                                | 4,783          |                | 3,221          |
| Travel and entertainment expenses             | 23,042         |                | 18,077         |
| Postage and telephone                         | 7,417          |                | 12,765         |
| Office expenses                               | 5,062          |                | 4,988          |
| Computer support and software                 | 20,501         |                | 26,558         |
| Printing stationery and advertising           | 6,506          |                | 5,291          |
| Staff training                                | —              |                | 813            |
| Staff recruitment                             | 5,125          |                | —              |
| Legal and professional fees                   | 350            |                | 935            |
| Accountancy fees                              | 4,965          |                | 8,442          |
| Depreciation                                  | 9,076          |                | 8,652          |
| Bank charges and interest                     | <u>1,003</u>   |                | <u>699</u>     |
|   |                | <u>130,776</u> | <u>150,328</u> |
| <b>PROFIT ON ORDINARY ACTIVITIES</b>          |                | <u>84,957</u>  | <u>54,525</u>  |