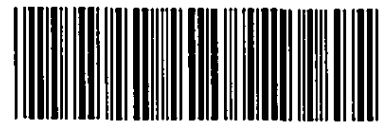


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**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007
FOR
THE ROSE PARTNERSHIP LIMITED**

TUESDAY



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THE ROSE PARTNERSHIP LIMITED

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FOR THE YEAR ENDED 30 JUNE 2007**

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THE ROSE PARTNERSHIP LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2007**

DIRECTORS:

P C Rose
J Cohen
R P Shelton

SECRETARY:

R T M Ahern

REGISTERED OFFICE:

12 Arthur Street
London
EC4R 9AB

REGISTERED NUMBER:

1561431

AUDITORS:

Websters
Chartered Accountants and Registered Auditors
136 Baker Street
London
W1U 6DU

THE ROSE PARTNERSHIP LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2007

The directors present their report with the financial statements of the company for the year ended 30 June 2007

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of executive search consultants

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements

The directors have confidence in the company's success for the future

DIVIDENDS

There were no dividends paid in the year ended 30 June 2007

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2006 to the date of this report

P C Rose

J Cohen

Other changes in directors holding office are as follows

M V Byrne - resigned 3 July 2006

H E Kleeman - resigned 3 July 2006

R P Shelton - appointed 1 November 2006

CHARITABLE DONATIONS

The company paid a total of £250 in charitable donations during the year

PURCHASE OF OWN SHARES

For commercial reasons, the company purchased 13,400 ordinary shares of £1 each from P C Rose for £670,000 and 1,713 ordinary shares of £1 each from PC Rose, CM Rose and RTM Ahern as trustees of The Children's Settlement for £85,650. This represented 13.2% of the company's called-up share capital.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

THE ROSE PARTNERSHIP LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2007**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, Websters, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985

ON BEHALF OF THE BOARD

A handwritten signature in dark ink, appearing to read 'P C Rose', written in a cursive style.

P C Rose - Director

Date 29/11/07

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF THE ROSE PARTNERSHIP LIMITED

We have audited the financial statements of The Rose Partnership Limited for the year ended 30 June 2007 on pages five to fifteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements.

Websters

Websters
Chartered Accountants and Registered Auditors
136 Baker Street
London
W1U 6DU

Date 29/11/07

THE ROSE PARTNERSHIP LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2007**

	Notes	2007 £	2006 £
TURNOVER		6,244,521	7,865,443
Administrative expenses		(6,111,005)	(8,167,455)
		133,516	(302,012)
Other operating income		-	13,659
OPERATING PROFIT/(LOSS)	3	133,516	(288,353)
Interest receivable and similar income		147,434	186,341
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		280,950	(102,012)
Tax on profit/(loss) on ordinary activities	4	(87,003)	11,537
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		193,947	(90,475)

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

THE ROSE PARTNERSHIP LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 JUNE 2007**

	2007 £	2006 £
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	193,947	(90,475)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>193,947</u>	<u>(90,475)</u>
Prior year adjustment		<u>274,078</u>
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT		<u>183,603</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

THE ROSE PARTNERSHIP LIMITED

**BALANCE SHEET
30 JUNE 2007**

	Notes	2007 £	2006 £
FIXED ASSETS			
Tangible assets	7	635,336	320,383
Investments	8	1,000	1,000
		<u>636,336</u>	<u>321,383</u>
CURRENT ASSETS			
Debtors	9	2,801,459	2,467,256
Cash at bank and in hand		2,729,503	5,084,191
		<u>5,530,962</u>	<u>7,551,447</u>
CREDITORS			
Amounts falling due within one year	10	(3,320,731)	(4,505,060)
NET CURRENT ASSETS		<u>2,210,231</u>	<u>3,046,387</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,846,567	3,367,770
PROVISIONS FOR LIABILITIES	12	(40,500)	-
NET ASSETS		<u>2,806,067</u>	<u>3,367,770</u>
CAPITAL AND RESERVES			
Called up share capital	13	99,086	114,199
Share premium	14	38,239	38,239
Capital redemption reserve	14	39,153	24,040
Profit and loss account	14	2,629,589	3,191,292
SHAREHOLDERS' FUNDS	17	<u>2,806,067</u>	<u>3,367,770</u>

The financial statements were approved by the Board of Directors on
by

29/11/07

and were signed on its behalf



P C Rose - Director

The notes form part of these financial statements

THE ROSE PARTNERSHIP LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	Notes	2007 £	2006 £
Net cash (outflow)/inflow from operating activities	1	(1,250,975)	811,225
Returns on investments and servicing of finance	2	152,884	185,446
Taxation		-	(103,382)
Capital expenditure	2	(500,947)	(180,135)
Equity dividends paid		-	(576,705)
		<u>(1,599,038)</u>	<u>136,449</u>
Financing	2	<u>(755,650)</u>	<u>-</u>
(Decrease)/Increase in cash in the period		<u><u>(2,354,688)</u></u>	<u><u>136,449</u></u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		<u>(2,354,688)</u>	<u>136,449</u>
Change in net funds resulting from cash flows		<u>(2,354,688)</u>	<u>136,449</u>
Movement in net funds in the period		<u>(2,354,688)</u>	<u>136,449</u>
Net funds at 1 July		<u>5,084,191</u>	<u>4,947,742</u>
Net funds at 30 June		<u><u>2,729,503</u></u>	<u><u>5,084,191</u></u>

The notes form part of these financial statements

THE ROSE PARTNERSHIP LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

1 RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2007	2006
	£	£
Operating profit/(loss)	133,516	(288,353)
Depreciation charges	87,625	98,223
Loss on disposal of fixed assets	588	582
(Increase)/Decrease in debtors	(341,155)	99,603
(Decrease)/Increase in creditors	(1,131,549)	901,170
Net cash (outflow)/inflow from operating activities	(1,250,975)	811,225

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2007	2006
	£	£
Returns on investments and servicing of finance		
Interest received	152,884	185,446
Net cash inflow for returns on investments and servicing of finance	152,884	185,446
 Capital expenditure		
Purchase of tangible fixed assets	(501,497)	(180,135)
Sale of tangible fixed assets	550	-
Net cash outflow for capital expenditure	(500,947)	(180,135)
 Financing		
Purchase of own shares	(755,650)	-
Net cash outflow from financing	(755,650)	-

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 7 06	Cash flow	At
	£	£	30 6 07
			£
Net cash			
Cash at bank and in hand	5,084,191	(2,354,688)	2,729,503
	<u>5,084,191</u>	<u>(2,354,688)</u>	<u>2,729,503</u>
 Total	 <u>5,084,191</u>	 <u>(2,354,688)</u>	 <u>2,729,503</u>

The notes form part of these financial statements

THE ROSE PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards. The company has taken advantage of the exemption, conferred by section 248 of the Companies Act 1985, from the requirement to prepare group accounts and accordingly these accounts present information in respect of the company as an individual undertaking.

Turnover

Turnover is exclusive of VAT.

Retainer fees are recognised in the accounts when invoiced or once work has commenced on the search, whichever is the later.

Executive placement fees are recognised in the accounts at the point in time when in the opinion of the directors, there is a reasonable certainty that the executive appointment will be fulfilled and completed and substantially all the services required from the company have been undertaken.

All costs attributable to unfulfilled appointments are recognised in the accounts as an expense when incurred.

Property, Plant and Equipment

Fixed assets are being depreciated over their useful lives in equal annual instalments at the following rates:

Short leasehold property	10% on cost
Fixtures and Fittings	20% on cost
Furniture and Equipment	20% on cost
Computer Equipment	33% on cost

Deferred tax

The company provides for deferred taxation on a full provision basis to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for taxation purposes. The rate of corporation tax used for such a provision is the rate expected to apply in the periods in which the timing differences are expected to reverse.

Pensions

Contributions payable in respect of the defined contribution pension scheme are charged to the Profit and Loss Account as incurred.

THE ROSE PARTNERSHIP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2007**

2 STAFF COSTS

	2007	2006
	£	£
Wages and salaries	4,647,563	5,426,571
Payments to Employee Benefit Trust	35,000	35,000
Other pension costs	81,667	70,838
	<u>4,764,230</u>	<u>5,532,409</u>

The average monthly number of employees during the year was as follows

	2007	2006
Search consultants	20	21
Administration	15	16
	<u>35</u>	<u>37</u>

DIRECTORS' EMOLUMENTS

	2007	2006
	£	£
Emoluments of the highest paid director	<u>871,933</u>	<u>1,603,387</u>
Defined contribution pension scheme payments on behalf of the highest paid director	<u>Nil</u>	<u>Nil</u>

The aggregate emoluments of the directors amounted to £1,064,187 (2006 £2,124,206)

A payment for compensation for loss of office of £nil (2006 £122,500) is included in the figure for aggregate emoluments of the directors

3 OPERATING PROFIT/(LOSS)

The operating profit (2006 - operating loss) is stated after charging

	2007	2006
	£	£
Depreciation - owned assets	87,625	98,223
Loss on disposal of fixed assets	588	582
Foreign exchange differences	24	685
Auditors' remuneration	9,000	10,000
Operating lease charges	<u>373,414</u>	<u>583,778</u>

All turnover, interest receivable and administrative expenses arose in respect of continuing activities

THE ROSE PARTNERSHIP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2007**

4 TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows

	2007 £	2006 £
Current tax		
UK corporation tax	45,000	-
Under/(over) tax provision	1,503	(11,537)
Total current tax	46,503	(11,537)
Deferred tax	40,500	-
Tax on profit/(loss) on ordinary activities	<u>87,003</u>	<u>(11,537)</u>

5 DIVIDENDS

	2007 £	2006 £
Ordinary shares of £1 each		
Interim	-	576,705

6 PRIOR YEAR ADJUSTMENT

In accordance with with FRS21 "Events after the Balance Sheet Date", dividends declared but not paid or approved are not accrued in the accounts. As a result, the interim dividend proposed for the year ended 30 June 2005 is now accounted for in the period in which it is paid. This has led to an increase in net assets for year ended 30 June 2005 of £274,078.

7 TANGIBLE FIXED ASSETS

	Short leasehold property £	Furniture and Equipment £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 July 2006	626,966	309,001	39,369	164,041	1,139,377
Additions	305,731	83,683	5,097	9,207	403,718
Disposals	(335,685)	(40,704)	(18,537)	(8,445)	(403,371)
At 30 June 2007	<u>597,012</u>	<u>351,980</u>	<u>25,929</u>	<u>164,803</u>	<u>1,139,724</u>
DEPRECIATION					
At 1 July 2006	324,929	298,768	39,369	155,931	818,997
Charge for year	60,507	16,794	849	9,475	87,625
Eliminated on disposal	(335,685)	(39,567)	(18,537)	(8,445)	(402,234)
At 30 June 2007	<u>49,751</u>	<u>275,995</u>	<u>21,681</u>	<u>156,961</u>	<u>504,388</u>
NET BOOK VALUE					
At 30 June 2007	<u>547,261</u>	<u>75,985</u>	<u>4,248</u>	<u>7,842</u>	<u>635,336</u>
At 30 June 2006	<u>302,037</u>	<u>10,233</u>	<u>-</u>	<u>8,110</u>	<u>320,380</u>

THE ROSE PARTNERSHIP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2007**

8 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 July 2006 and 30 June 2007	<u>1,000</u>
NET BOOK VALUE	
At 30 June 2007	<u>1,000</u>
At 30 June 2006	<u>1,000</u>

The company's investment in its subsidiary company represents the cost of acquisition of the whole of the ordinary share capital of Rose Recruiters Limited which has remained dormant since formation

9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Trade debtors and accrued fees	2,600,427	2,168,056
Other debtors	99,619	83,309
Prepayments	101,413	215,891
	<u>2,801,459</u>	<u>2,467,256</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Amounts owed to group undertakings	1,000	1,000
Taxation and social security	670,076	736,213
Other creditors	2,085,675	2,791,778
Accruals	563,980	976,069
	<u>3,320,731</u>	<u>4,505,060</u>

11 OPERATING LEASE COMMITMENTS

Based on current rents, the following operating lease payments are committed to be paid

	2007 £	2006 £
		Land and buildings
Expiring	394,877	394,877
Within one year	1,579,508	1,579,508
Between one and five years	1,414,976	1,809,853
In more than five years	<u>3,389,361</u>	<u>3,784,238</u>

THE ROSE PARTNERSHIP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2007**

12 PROVISIONS FOR LIABILITIES

	2007 £	2006 £
Deferred tax	<u>40,500</u>	<u>-</u>
		Deferred tax
Charge/(credit) to the P&L		£ <u>40,500</u>
Balance at 30 June 2007		<u>40,500</u>

The full potential deferred taxation assets and liabilities are recognised in the accounts

13 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value £1	2007 £	2006 £
1,000,000	Ordinary		<u>1,000,000</u>	<u>1,000,000</u>
Allotted, issued and fully paid Number	Class	Nominal value £1	2007 £	2006 £
99,086 (2006 - 114,199)	Ordinary		<u>99,086</u>	<u>114,199</u>

14 RESERVES

	Profit and loss account £	Share premium £	Capital redemption reserve £	Totals £
At 1 July 2006	3,191,292	38,239	24,040	3,253,571
Profit for the year	193,947			193,947
Purchase of own shares	<u>(755,650)</u>	<u>-</u>	<u>15,113</u>	<u>(740,537)</u>
At 30 June 2007	<u>2,629,589</u>	<u>38,239</u>	<u>39,153</u>	<u>2,706,981</u>

15 PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company as an independently administered fund. The pension cost relates to voluntary contributions made by the company to directors' and employees' private pension plans of £81,667 (2006 £70,838).

16 POST BALANCE SHEET EVENTS

After the balance sheet date on 2 July 2007, the directors declared a dividend in relation to year ended 30 June 2007 of £2.00 per share.

THE ROSE PARTNERSHIP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2007**

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Profit/(Loss) for the financial year	193,947	(90,475)
Dividends	-	(576,705)
	<u>193,947</u>	<u>(667,180)</u>
Purchase of own shares	(755,650)	-
	<u>(561,703)</u>	<u>(667,180)</u>
Net reduction of shareholders' funds	3,367,770	4,034,950
Opening shareholders' funds	<u>2,806,067</u>	<u>3,367,770</u>
Closing shareholders' funds	<u>2,806,067</u>	<u>3,367,770</u>

18 CONTROLLING PARTY:

The controlling party is P C Rose, a director of the company