

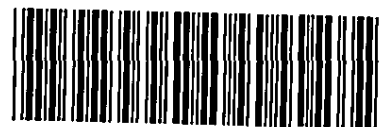
COMPANY REGISTRATION NUMBER 01561431

**THE ROSE PARTNERSHIP 1 LIMITED
(FORMERLY THE ROSE PARTNERSHIP LIMITED)**

GROUP FINANCIAL STATEMENTS

30 JUNE 2009

SATURDAY



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**THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE
PARTNERSHIP LTD)**

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

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**THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE
PARTNERSHIP LTD)**

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

J Cohen
P C Rose

Company secretary

R T M Ahern

Registered office

5th Floor
12 Arthur Street
London
EC4R 9AB

Auditor

MacIntyre Hudson LLP
Chartered Accountants
& Statutory Auditor
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2009

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 30 June 2009

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group during the year was that of executive search consultants

The directors consider the key performance indicators of the group to be

- Turnover
- Net profit margin
- Operating profit

These key performance indicators show results in line with expectations for the first quarter and reflect, in the period thereafter, the downturn in the economy and its severe impact on executive search business in the banking sector. In consequence of the downturn steps were taken to reduce costs, including the sub-letting of half the office space and reducing staff numbers, leading to the restructuring of the business from 1st April, 2009

Turnover from the executive search business has decreased from £8,242,575 to £3,876,989. For comparison purposes, if the turnover was proportionately adjusted to reflect a full years trading, it would be £5,169,319, which is a reduction of 37%

The net profit margin for the group has increased from 15% to 42%

Operating profit for the executive search business was £1,568,095 (2008 £1,015,390) and for the group was £1,573,173 (2008 £1,015,390)

The company ceased trading on 31 March 2009. The Rose Partnership LLP was established on 1st April 2009 and the company transferred its business to the LLP at this date. The LLP is also under the control of Philippa Rose who is an executive member. In order to avoid any confusion with the LLP, the company changed its name on 1 April 2009 from The Rose Partnership Limited to The Rose Partnership 1 Limited

FUTURE PLANS

The directors' intention is to liquidate the company as soon as it becomes a cash shell

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,330,148. The directors have not recommended a dividend

DIRECTORS

The directors who served the company during the year were as follows

J Cohen
P C Rose

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2009

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to

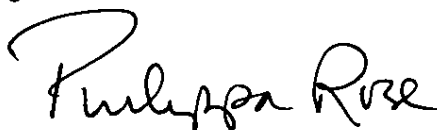
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Signed on behalf of the directors



P C Rose

Director

Approved by the directors on 24/3/10

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

YEAR ENDED 30 JUNE 2009

We have audited the group and parent company financial statements ("the financial statements") of The Rose Partnership 1 Limited (Formerly The Rose Partnership Ltd) for the year ended 30 June 2009 which comprise the Group Profit and Loss Account, Group Balance Sheet and Company Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 June 2009 and of the group's 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE
PARTNERSHIP LTD)**

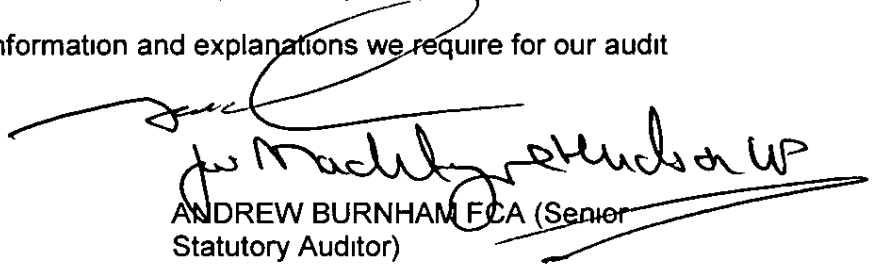
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE
PARTNERSHIP LTD) (continued)**

YEAR ENDED 30 JUNE 2009

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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



ANDREW BURNHAM FCA (Senior
Statutory Auditor)

For and on behalf of
MACINTYRE HUDSON LLP
Chartered Accountants
& Statutory Auditor

New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

25 March 2010

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

GROUP PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2009

	Note	2009 £	2008 £
TURNOVER	2		
Continuing operations		237,564	-
Discontinued operations		3,876,989	8,242,575
Group Turnover		4,114,553	8,242,575
GROSS PROFIT		4,114,553	8,242,575
Net operating expenses	3	2,541,380	7,227,185
OPERATING PROFIT:	4		
Continuing operations		5,078	-
Discontinued operations		1,568,095	1,015,390
GROUP OPERATING PROFIT		1,573,173	1,015,390
Interest receivable		138,505	193,665
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,711,678	1,209,055
Tax on profit on ordinary activities	7	381,530	371,485
PROFIT FOR THE FINANCIAL YEAR	19	1,330,148	837,570

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

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account

The notes on page 10 form part of these financial statements

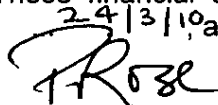
THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

GROUP BALANCE SHEET

30 JUNE 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Tangible assets	10	<u>499,521</u>	<u>571,868</u>
CURRENT ASSETS			
Debtors	12	912,900	2,233,634
Cash at bank and in hand		<u>4,564,471</u>	<u>5,519,979</u>
		5,477,371	7,753,613
CREDITORS: Amounts falling due within one year	13	<u>1,202,279</u>	<u>4,830,766</u>
NET CURRENT ASSETS		<u>4,275,092</u>	<u>2,922,847</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,774,613</u>	<u>3,494,715</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	14	—	50,250
		<u>4,774,613</u>	<u>3,444,465</u>
CAPITAL AND RESERVES			
Called-up equity share capital	17	99,086	99,086
Share premium account	18	38,239	38,239
Other reserves	18	39,153	39,153
Profit and loss account	18	<u>4,598,135</u>	<u>3,267,987</u>
SHAREHOLDERS' FUNDS	19	<u>4,774,613</u>	<u>3,444,465</u>

These financial statements were approved by the directors and authorised for issue on 24/3/10 and are signed on their behalf by



P C Rose
Director

The notes on page 10 form part of these financial statements

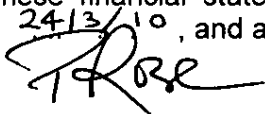
THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

COMPANY BALANCE SHEET

30 JUNE 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Tangible assets	10	–	571,868
Investments		–	1,000
		<u>–</u>	<u>572,868</u>
CURRENT ASSETS			
Investments	11	1,000	–
Debtors	12	948,396	2,233,634
Cash at bank and in hand		4,310,998	5,519,979
		<u>5,260,394</u>	<u>7,753,613</u>
CREDITORS: Amounts falling due within one year	13	487,595	4,831,766
NET CURRENT ASSETS		<u>4,772,799</u>	<u>2,921,847</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,772,799</u>	<u>3,494,715</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	14	–	50,250
		<u>4,772,799</u>	<u>3,444,465</u>
CAPITAL AND RESERVES			
Called-up equity share capital	17	99,086	99,086
Share premium account	18	38,239	38,239
Other reserves	18	39,153	39,153
Profit and loss account	18	4,596,321	3,267,987
SHAREHOLDERS' FUNDS	19	<u>4,772,799</u>	<u>3,444,465</u>

These financial statements were approved by the directors and authorised for issue on 24/3/10, and are signed on their behalf by



P C Rose
Director

Company Registration Number 01561431

The notes on page 10 form part of these financial statements

**THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE
PARTNERSHIP LTD)**

CASH FLOW STATEMENT

YEAR ENDED 30 JUNE 2009

	Note	2009 £	2008 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	20	(358,597)	2,507,358
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	20	138,505	193,665
TAXATION	20	(365,000)	(41,735)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	20	(17,268)	(22,788)
EQUITY DIVIDENDS PAID		–	(199,172)
(DECREASE)/INCREASE IN CASH	20	<u>(602,360)</u>	<u>2,437,328</u>

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

The company's activities ceased on 31 March 2009 with no further trading taking place beyond this date. The directors' intention is to wind up this company. Hence in these group financial statements, its assets and liabilities have been consolidated on a break-up basis rather than on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

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

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

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 attributed to unfulfilled appointments are recognised in the accounts as an expense when incurred.

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:

Leasehold Property	-	10% on cost
Computer Equipment	-	30% on cost
Furniture, Fittings, Fixtures and equipment	-	20% on cost

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

1. ACCOUNTING POLICIES *(continued)*

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

Pension costs

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

Deferred taxation

The group 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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

2. TURNOVER

The turnover and profit before tax are attributable to the principal activities of the group

An analysis of turnover is given below

	2009 £	2008 £
United Kingdom	2,751,129	4,618,107
Overseas	1,363,424	3,624,468
	<u>4,114,553</u>	<u>8,242,575</u>

3. ANALYSIS OF NET OPERATING EXPENSES

	Continuing operations £	Discontinued operations £	Total £
YEAR ENDED 30 JUNE 2009			
Administrative expenses	232,486	2,308,894	2,541,380
Net operating expenses	<u>232,486</u>	<u>2,308,894</u>	<u>2,541,380</u>

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

3. ANALYSIS OF NET OPERATING EXPENSES *(continued)*

	Continuing operations	Discontinued operations £	Total £
YEAR ENDED 30 JUNE 2008			
Administrative expenses	-	7,227,185	7,227,185
Net operating expenses	-	7,227,185	7,227,185

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2009 £	2008 £
Depreciation of owned fixed assets	89,743	86,405
Profit on disposal of fixed assets	(128)	(150)
Auditor's remuneration		
- as auditor	9,500	8,500
- for non audit services	5,000	3,000
Operating lease costs		
- Other	247,096	317,203
Net (profit)/loss on foreign currency translation	(25,193)	300

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2009 No	2008 No
Number of search consultants	18	20
Number of administrative staff	11	14
	29	34

The aggregate payroll costs of the above were

	2009 £	2008 £
Wages and salaries	1,343,447	4,914,227
Social security costs	157,177	598,981
Other pension costs	4,050	299,107
	1,504,674	5,812,315

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2009 £	2008 £
Remuneration receivable	<u>130,718</u>	<u>1,279,271</u>

Remuneration of highest paid director:

	2009 £	2008 £
Total remuneration (excluding pension contributions)	<u>114,218</u>	<u>1,186,197</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2009 £	2008 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 28% (2008 - 29%)	431,780	365,000
(Over) provision in prior year	-	(3,265)
Total current tax	<u>431,780</u>	<u>361,735</u>
Deferred tax		
Origination and reversal of timing differences	(50,250)	9,750
Tax on profit on ordinary activities	<u>381,530</u>	<u>371,485</u>

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 28% (2008 - 29%)

	2009 £	2008 £
Profit on ordinary activities before taxation	<u>1,711,678</u>	<u>1,209,055</u>
Profit on ordinary activities by rate of tax	479,270	350,625
Expenses not deductible for tax purposes	9,198	16,447
Capital allowances for period in excess of depreciation	(56,688)	(6,469)
Adjustments to tax charge in respect of previous periods	-	(3,265)
Sundry tax adjusting items	-	4,397
Total current tax (note 7(a))	<u>£431,780</u>	<u>361,735</u>

8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £1,328,334 (2008 - £837,570)

9. DIVIDENDS

Equity dividends

	2009 £	2008 £
Paid		
Equity dividends on ordinary shares	<u>-</u>	<u>199,172</u>

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

10. TANGIBLE FIXED ASSETS

Group	Leasehold Property £	Computer Equipment £	Fixtures & Fittings £	Furniture and Equipment £	Total £
COST					
At 1 July 2008	602,107	168,669	20,832	340,247	1,131,855
Additions	–	17,396	–	–	17,396
Disposals	–	(36,042)	–	–	(36,042)
At 30 June 2009	602,107	150,023	20,832	340,247	1,113,209
DEPRECIATION					
At 1 July 2008	109,877	160,088	20,832	269,190	559,987
Charge for the year	59,998	7,807	–	21,938	89,743
On disposals	–	(36,042)	–	–	(36,042)
At 30 June 2009	169,875	131,853	20,832	291,128	613,688
NET BOOK VALUE					
At 30 June 2009	432,232	18,170	–	49,119	499,521
At 30 June 2008	492,230	8,581	–	71,057	571,868
Company					
	Leasehold Property £	Computer equipment £	Fixtures & Fittings £	Furniture and Equipment £	Total £
COST					
At 1 July 2008	602,107	168,669	20,832	340,247	1,131,855
Additions	–	8,304	–	–	8,304
Transfers	(602,107)	(176,973)	(20,832)	(340,247)	(1,140,159)
At 30 June 2009	–	–	–	–	–
DEPRECIATION					
At 1 July 2008	109,877	160,088	20,832	269,190	559,987
Charge for the year	44,946	5,438	–	16,453	66,837
Transfers	(154,823)	(165,526)	(20,832)	(285,643)	(626,824)
At 30 June 2009	–	–	–	–	–
NET BOOK VALUE					
At 30 June 2009	–	–	–	–	–
At 30 June 2008	492,230	8,581	–	71,057	571,868

All tangible fixed assets were transferred to the company's subsidiary, Rose Recruiters Limited at 1 April 2009. The assets were transferred at their net book value of £513,335.

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

11. CURRENT ASSET INVESTMENTS

Company	Group companies £
COST	
At 1 July 2008 and 30 June 2009	<u>1,000</u>
NET BOOK VALUE	
At 30 June 2009 and 30 June 2008	<u>1,000</u>

The company owns 100% of the issued share capital of Rose Recruiters Limited, a company incorporated in England and Wales. The subsidiary company commenced trading on 1 April 2009.

12. DEBTORS

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	50,614	1,938,270	–	1,938,270
Amounts owed by group undertakings	–	–	944,742	–
VAT recoverable	–	–	3,654	–
Other debtors	617,740	24,732		24,732
Prepayments and accrued income	244,546	270,632	–	270,632
	<u>912,900</u>	<u>2,233,634</u>	<u>948,396</u>	<u>2,233,634</u>

13. CREDITORS: Amounts falling due within one year

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Overdrafts	–	353,148	–	353,148
Amounts owed to group undertakings	–	–	–	1,000
Other creditors including taxation and social security				
Corporation tax	431,780	365,000	428,500	365,000
Other taxation and social security	11,508	578,130	5,165	578,130
Other creditors	137,980	2,858,994	21,457	2,858,994
Accruals and deferred income	621,011	675,494	32,473	675,494
	<u>1,202,279</u>	<u>4,830,766</u>	<u>487,595</u>	<u>4,831,766</u>

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

14. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Provision brought forward	50,250	40,500	50,250	40,500
(Decrease)/Increase in provision	(50,250)	9,750	(50,250)	9,750
Provision carried forward	<u>-</u>	<u>50,250</u>	<u>-</u>	<u>50,250</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of

Group	2009		2008	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>-</u>	<u>-</u>	<u>50,250</u>	<u>-</u>

The company's provision for deferred taxation consists of the tax effect of timing differences in respect of

Company	2009		2008	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>-</u>	<u>-</u>	<u>50,250</u>	<u>-</u>

15. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2009 the group had annual commitments under non-cancellable operating leases as set out below

Group	Land and buildings	
	2009	2008
	£	£
Operating leases which expire		
After more than 5 years	<u>247,096</u>	<u>317,203</u>

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

15. COMMITMENTS UNDER OPERATING LEASES *(continued)*

At 30 June 2009 the company had annual commitments under non-cancellable operating leases as set out below

Company	Land and buildings	
	2009	2008
	£	£
Operating leases which expire		
After more than 5 years	-	394,877

The company's commitments under operating leases were assigned to its subsidiary, Rose Recruiters Limited, at 1 April 2009

16. RELATED PARTY TRANSACTIONS

The company was under the control of P C Rose throughout the current and previous year P C Rose is the managing director and majority shareholder

The Rose Partnership LLP was established on 1 April 2009 and the company's business was transferred to the LLP at this date for nil consideration The LLP is also under the control of P C Rose who is the executive member

As part of the asset transfer agreement the database was transferred to the LLP at the professional valuation of £10,000

Rose Recruiters Limited is a wholly owned subsidiary of the company The company remained dormant until 1 April 2009 when it began trading On this date the fixed assets, prepayments and accruals relating to the company were transferred to the subsidiary

As at 30 June 2009 the amount due from Rose Recruiters Limited was £944,741

17. SHARE CAPITAL

Authorised share capital:

	2009	2008
	£	£
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
Ordinary shares of £1 each	<u>99,086</u>	<u>99,086</u>	<u>99,086</u>	<u>99,086</u>

**THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE
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NOTES TO THE FINANCIAL STATEMENTS
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18. RESERVES

	Share premium account £	Capital redemption reserve £	Profit and loss account £
Group			
Balance brought forward	38,239	39,153	3,267,987
Profit for the year	—	—	1,330,148
Balance carried forward	<u>38,239</u>	<u>39,153</u>	<u>4,598,135</u>
Company			
Balance brought forward	38,239	39,153	3,267,987
Profit for the year	—	—	1,328,334
Balance carried forward	<u>38,239</u>	<u>39,153</u>	<u>4,596,321</u>

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Group		
Profit for the financial year	1,330,148	837,570
Equity dividends	—	(199,172)
Net addition to shareholders' funds	1,330,148	638,398
Opening shareholders' funds	3,444,465	2,806,067
Closing shareholders' funds	<u>4,774,613</u>	<u>3,444,465</u>
Company		
Profit for the financial year	1,328,334	837,570
Equity dividends	—	(199,172)
Net addition to shareholders' funds	1,328,334	638,398
Opening shareholders' funds	3,444,465	2,806,067
Closing shareholders' funds	<u>4,772,799</u>	<u>3,444,465</u>

20. NOTES TO THE CASH FLOW STATEMENT

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

	2009 £	2008 £
Operating profit	522,081	1,015,390
Depreciation	89,743	86,405
Profit on disposal of fixed assets	(128)	(150)
Decrease in debtors	1,335,734	568,826
(Decrease)/increase in creditors	(2,306,027)	836,887
Net cash (outflow)/inflow from operating activities	<u>(358,597)</u>	<u>2,507,358</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	£	£
Interest received	138,505	193,665
Net cash inflow from returns on investments and servicing of finance	<u>138,505</u>	<u>193,665</u>

THE ROSE PARTNERSHIP 1 LIMITED (FORMERLY THE ROSE PARTNERSHIP LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

20. NOTES TO THE CASH FLOW STATEMENT *(continued)*

TAXATION

	2009 £	2008 £
Taxation	<u>(365,000)</u>	<u>(41,735)</u>

CAPITAL EXPENDITURE

	2009 £	2008 £
Payments to acquire tangible fixed assets	(17,395)	(22,939)
Receipts from sale of fixed assets	127	151
Net cash outflow from capital expenditure	<u>(17,268)</u>	<u>(22,788)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2009 £	2008 £
(Decrease)/Increase in cash in the period	<u>(602,360)</u>	2,437,327
Movement in net funds in the period	<u>(602,360)</u>	2,437,327
Net funds at 1 July 2008	5,166,831	2,729,503
Net funds at 30 June 2009	<u>4,564,471</u>	<u>5,166,831</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jul 2008 £	Cash flows £	At 30 Jun 2009 £
Net cash			
Cash in hand and at bank	5,519,979	(955,508)	4,564,471
Overdrafts	(353,148)	353,148	—
	<u>5,166,831</u>	<u>(602,360)</u>	<u>4,564,471</u>
Net funds	<u>5,166,831</u>	<u>(602,360)</u>	<u>4,564,471</u>