

Registered in England  
2454242

**ROLAND BERGER STRATEGY  
CONSULTANTS LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**31st DECEMBER 2006**



**Roland Berger Strategy Consultants Limited**

**Annual Report  
For the year ended 31st December 2006**

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**Roland Berger Strategy Consultants Limited**

**Directors**

R Berger  
T Eichelmann  
B Schwenker  
D P Stern

**Secretary and Registered Office**

P N Aves  
Lansdowne House, Berkeley Square, London W1J 6RB

**Auditors**

Moore Stephens LLP  
Chartered Accountants  
St Paul's House, Warwick Lane, London, EC4M 7BP

**Report of the Directors**

The directors present their report and the audited financial statements for the year ended 31st December 2006

**Principal Activities**

The principal activity of the company continues to be the provision of management consultancy services. This activity is expected to continue for the foreseeable future.

**Review of Business**

The results for the year are shown on page 5. The directors are pleased with the performance of the company in 2006 and expect the profitability of the business to continue in the current year.

The directors consider the key performance indicator to be operating profit for the year. The company applies constant pressure to ensure costs are maintained within acceptable levels. The principal risk and uncertainty faced by the company is fluctuations in the demand for management consultancy services in the UK.

The company's future trading is assured given the continuing support of its holding company.

**Results and Dividends**

The profit for the financial year amounted to £171,484 (2005 profit £526,091). The directors do not recommend the payment of a dividend.

**Roland Berger Strategy Consultants Limited**

**Report of the Directors (Continued)**

**Statement as to disclosure of information to auditors**

Each of the persons who are directors at the time when this report is approved has confirmed that

- (a) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) each director has taken all the steps that ought to have been taken as a director, including making appropriate enquiries of fellow directors and the company's auditors for that purpose, in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

By Order of the Board

  
PN AVES

Secretary

**Roland Berger Strategy Consultants Limited**

**Statement of Directors' Responsibilities  
For the year ended 31st December 2006**

Company law requires the directors to prepare financial statements for each financial year which 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 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,
- state whether applicable accounting standards 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

The directors are responsible for keeping proper records which 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 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.

**Independent Auditors' Report to the Shareholders of  
Roland Berger Strategy Consultants Limited**

We have audited the financial statements of Roland Berger Strategy Consultants Limited for the year ended 31 December 2006 which are set out pages 4 to 13. These financial statements have been prepared under the accounting policies set out on pages 7 and 8.

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 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 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 in the Statement of Directors' Responsibilities.

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 Directors' Report 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 Directors' Report 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 judgments 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 31 December 2006 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 directors' report is consistent with the financial statements.

St Paul's House,  
London, EC4M 7BP

29 August 2007

MOORE STEPHENS LLP

Chartered Accountants  
Registered Auditor

## Roland Berger Strategy Consultants Limited

**Profit and Loss Account**  
**For the year ended 31st December 2006**

	<u>Note</u>	<u>2006</u>	<u>2005</u>
<b>Turnover</b>	1(c)	7,679,809	6,936,387
Staff costs	2	(3,761,556)	(3,099,234)
Depreciation		(78,246)	(86,870)
Other operating charges		(2,238,108)	(1,642,884)
Other external charges		(1,115,107)	(1,234,292)
<b>Operating Profit</b>		486,792	873,107
Interest payable and similar charges	4	(315,308)	(347,016)
<b>Profit on Ordinary Activities before Taxation</b>		171,484	526,091
Taxation	5	-	-
<b>Profit for the Year</b>		£ 171,484	£ 526,091

**Profit and Loss Account**

At 1st January 2006		(7,517,766)	(8,043,857)
Profit for the year	11	171,484	526,091
At 31st December 2006		£ (7,346,282)	£ (7,517,766)

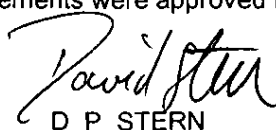
There are no recognised gains and losses other than those included in the profit and loss account

## Roland Berger Strategy Consultants Limited

## Balance Sheet - 31st December 2006

	Note	2006	2005
<b>Fixed Assets</b>			
Tangible assets	6	156,271	184,967
<b>Current Assets</b>			
Work in progress		186,012	153,275
Debtors	7	2,824,091	1,684,078
Called up share capital not paid		2	2
Cash at bank and in hand		459,206	411,424
		<u>3,469,311</u>	<u>2,248,779</u>
<b>Creditors, amounts falling due within one year</b>	8	<u>(10,130,904)</u>	<u>(9,110,552)</u>
<b>Net Current Liabilities</b>		<u>(6,661,593)</u>	<u>(6,861,773)</u>
<b>Total Assets Less Current Liabilities</b>		(6,505,322)	(6,676,806)
<b>Provision for Liabilities and Charges</b>	9	<u>(90,960)</u>	<u>(90,960)</u>
		<u>£ (6,596,282)</u>	<u>£ (6,767,766)</u>
<b>Capital and Reserves</b>			
Called up share capital	10	750,000	750,000
Profit and loss account		<u>(7,346,282)</u>	<u>(7,517,766)</u>
<b>Equity Shareholder's Funds</b>	11	<u>£ (6,596,282)</u>	<u>£ (6,767,766)</u>

The financial statements were approved by the Board on 1st August 2007

  
D P STERN

Director



**Roland Berger Strategy Consultants Limited****Financial Statements for the year ended 31st December 2006****Notes****1 Principal Accounting Policies****(a) Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards (United Kingdom Generally Accepted Accounting Practice)

**(b) Going concern**

The financial statements have been prepared on the going concern basis which contemplates the realisation of assets and the settlement of liabilities in the ordinary course of business. The ability of the company to continue as a going concern is dependent upon the continued support of the parent company, Roland Berger Strategy Consultants Holding GmbH.

Roland Berger Strategy Consultants Holding GmbH have agreed not to demand repayment of non-trading amounts due to them of £3,903,012 until the resources of the company allow. They have also agreed to provide continuing financial support to the company to enable it to meet its future liabilities as they fall due.

**(c) Turnover**

Turnover represents amounts receivable from customers for services performed in the normal course of business exclusive of value added tax, and the net realisable value of work performed during the year but not invoiced at the year end.

**(d) Depreciation**

Depreciation is provided to write off the cost of tangible fixed assets, less their estimated residual value, on a straight line basis over their estimated useful economic lives as follows:

Short leasehold improvements	- over the lease period
Office and computer equipment (hardware and software)	- 3 years
Office machines	- 4 years
Fixtures and fittings	- 6 years

**(e) Deferred taxation**

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates that are expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

## Roland Berger Strategy Consultants Limited

## Financial Statements for the year ended 31st December 2006

## Notes (Continued)

## 1 Principal Accounting Policies (Continued)

## (f) Leases

The cost of operating leases is charged on a straight line basis over the lease term

## (g) Work in progress

Work in progress is valued at the net realisable value, which comprises of direct labour and appropriate overheads

## (h) Foreign currencies

Assets and liabilities in foreign currencies are translated at the rate of exchange at the balance sheet date, any differences being taken to the profit and loss account. Transactions in foreign currencies are recorded at the rate of exchange on the date of transaction. All realised foreign exchange differences are taken to the profit and loss account.

## (i) Cashflow Statement

The company has taken advantage of the exemption from producing a cashflow statement under FRS 1 (revised)

## 2 Directors and Employees

Staff costs during the year were as follows

	<u>2006</u>	<u>2005</u>
Wages and salaries	3,412,088	2,790,965
Social security costs	349,468	308,269
	<u>£ 3,761,556</u>	<u>£ 3,099,234</u>

The average number of employees during the year was as follows

Professional	21	21
Administration	11	12
	<u>32</u>	<u>33</u>

## Roland Berger Strategy Consultants Limited

## Financial Statements for the year ended 31st December 2006

## Notes (Continued)

## 2 Directors and Employees (Continued)

	<u>2006</u>	<u>2005</u>
Directors' emoluments in respect of qualifying services	£ 544,046	£ 362,580

The emoluments of the highest paid director were £544,046 (2005 £362,580)

## 3 Operating Profit

The operating profit is stated after charging/(crediting)

	<u>2006</u>	<u>2005</u>
Depreciation	78,246	86,871
(Loss)/Profit on foreign currency conversion	(54,666)	14,746
Auditors remuneration audit	20,350	18,500
Auditors remuneration other	2,386	2,324
Operating lease charge - property	337,548	213,117
- hire of equipment	11,814	11,931
Bad debts written back	(20,436)	(10,939)
Loss on disposal of fixed assets	533	2,532
Profit on disposal of investments	-	(43,285)

## 4 Interest Payable and Similar Charges

	<u>2006</u>	<u>2005</u>
Bank loans	185,116	204,387
Other loans	130,192	142,629
	£ 315,308	£ 347,016

## 5 Taxation

- (a) There is no charge to for UK corporation tax in the year due to the availability of tax losses

- (b) Factors affecting current tax charge for the year

	<u>2006</u>	<u>2005</u>
Profit on ordinary activities before tax	171,484	526,091
Tax on profit on ordinary activities at 30% (2005 30%)	51,445	157,827
Effects of		
Expenses not deductible for tax purposes	21,707	8,872
Depreciation for period in excess of capital allowances	3,158	12,100
Utilisation of Losses	(76,310)	(178,799)
Current tax charge	£ -	£ -

## Roland Berger Strategy Consultants Limited

## Financial Statements for the year ended 31st December 2006

## Notes (Continued)

## 5 Taxation on Profit on Ordinary Activities (Cont'd)

## (c) Deferred Tax

A deferred tax asset of £2,053,673 (2005- £2,225,506) has not been recognised on the grounds that there is uncertainty over the timing of future profitability

The deferred tax asset arose due to the following

	<u>2006</u>	<u>2005</u>
Availability of tax losses	2,008,188	2,190,266
Depreciation in excess capital allowances	45,486	35,240
	<u>£ 2,053,673</u>	<u>£ 2,225,506</u>

## 6 Tangible Fixed Assets

	<u>Short Leasehold Improvements</u>	<u>Office and Computer Equipment</u>	<u>Fixtures and Fittings</u>	<u>Total</u>
Cost				
At 1st January 2006	260,381	68,629	297,202	626,212
Additions	12,553	14,237	23,292	50,082
Disposals	-	(4,937)	-	(4,937)
At 31st December 2006	<u>£ 272,934</u>	<u>£ 77,929</u>	<u>£ 320,494</u>	<u>£ 671,357</u>
Depreciation				
At 1st January 2006	152,668	40,181	248,396	441,245
Charge for the year	15,152	25,750	37,343	78,245
Disposals	-	(4,404)	-	(4,404)
At 31st December 2006	<u>£ 167,820</u>	<u>£ 61,527</u>	<u>£ 285,739</u>	<u>£ 515,086</u>
Net book value				
At 31st December 2006	<u>£ 105,114</u>	<u>£ 16,402</u>	<u>£ 34,755</u>	<u>£ 156,271</u>
At 31st December 2005	<u>£ 107,713</u>	<u>£ 28,448</u>	<u>£ 48,806</u>	<u>£ 184,967</u>

## Roland Berger Strategy Consultants Limited

## Financial Statements for the year ended 31st December 2006

## Notes (Continued)

## 7 Debtors

	<u>2006</u>	<u>2005</u>
Trade debtors	1,605,124	1,078,634
Other debtors	7,023	10,586
Amounts due from fellow subsidiary undertakings	1,150,325	421,130
Prepayments and accrued income	61,619	173,728
	<u>£ 2,824,091</u>	<u>£ 1,684,078</u>

## 8 Creditors amounts falling due within one year

	<u>2006</u>	<u>2005</u>
Bank loans	3,700,000	3,853,248
Payments on account	69,181	130,988
Trade creditors	43,174	48,130
Amounts due to ultimate parent company	4,005,330	3,891,187
Amounts due to fellow subsidiary undertakings	1,042,901	237,271
Other taxation and social security	398,797	247,052
Accruals and deferred income	871,521	702,676
	<u>£ 10,130,904</u>	<u>£ 9,110,552</u>

Bank loans of £3.7 million are accruing interest at 6.47% and are repayable within one year. Included in amounts due to ultimate parent company is a loan of £2,842,512 which is accruing interest at 5.8% payable on repayment of the loan balance.

## 9 Provisions for Liabilities and Charges

	<u>2006</u>	<u>2005</u>
At 1st January 2006 and at 31st December 2006	<u>£ 90,960</u>	<u>£ 90,960</u>

Provisions relate to dilapidations in respect of leased premises and will materialise at the end of the relevant lease. The quantum of provisions actually paid will depend on the future performance of contracts and negotiations with the landlords.

## Roland Berger Strategy Consultants Limited

## Financial Statements for the year ended 31st December 2006

## Notes (Continued)

## 10 Share Capital

	<u>2006</u>	<u>2005</u>
Authorised		
750,000 ordinary shares of £1 each	£ 750,000	£ 750,000
Allotted, called up and fully paid		
749,998 ordinary shares of £1 each	749,998	749,998
Called up and unpaid		
2 ordinary shares of £1 each	2	2
	£ 750,000	£ 750,000

All shares rank equally in respect of all shareholder rights

## 11 Movement in Shareholder's Funds

	<u>2006</u>	<u>2005</u>
At 1st January 2006	(6,767,766)	(7,293,857)
Profit for the year	171,484	526,091
At 31st December 2006	£ (6,596,282)	£ (6,767,766)

## 12 Operating Lease Commitment

The company has the following annual commitments under non-cancellable operating leases which expire

	<u>2006</u>		<u>2005</u>	
	<u>Land and Buildings</u>	<u>Other</u>	<u>Land and Buildings</u>	<u>Other</u>
Within one year	-	5,907	-	12,262
Over five years	335,418	-	335,418	-
	£ 335,418	£ 5,907	£ 335,418	£ 12,262

The commitment in relation to land and buildings relates to the sub-lease of the company's premises, Lansdowne House

**Roland Berger Strategy Consultants Limited**

**Financial Statements for the year ended 31st December 2006**

**Notes (Continued)**

**13 Ultimate Holding Company**

As of October 18, 2006, the merger of Roland Berger Beteiligungs GmbH (RBBG) into Roland Berger Strategy Consultants Holding GmbH (RBSCH) has been registered with the Munich Trade Registration Court. Therefore, RBBG no longer exists as a legal entity and RBSCH is the new holding company of RB Group.

The company considers Roland Berger Strategy Consultants Holding GmbH, a company registered in Germany, as its ultimate holding company.

Consolidated accounts are prepared by Roland Berger Strategy Consultants Holding GmbH, whose registered address is Mies-van-der-Rohe-Strasse 6, D-80807 Munich, Germany.

The company has taken advantage of the exemptions allowed by FRS 8 with regards to the disclosure of transactions with fellow group companies.