

REGISTERED NO. 02757319

**POTENTIA
INTERNATIONAL LIMITED**
(formerly RSM Potentia International Limited)

Financial Statements

Period ended 30 June 2007

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COMPANY INFORMATION

Directors

M J Cleary (appointed 02/07/07)
C Connor (resigned 02/07/07)
S S Heer (resigned 09/08/06)
G M Field (resigned 30/4/07)
J D Mew (appointed 02/07/07)
P S Prior (appointed 09/08/06, resigned 02/07/07)
D A S Maxwell (appointed 09/08/06)

Secretary

J P Addison

Registered office

Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

Registered number

02757319

Auditors

Horwath Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

Bankers

National Westminster Bank Plc
1 Princes Street
London EC2 8PA

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the period ended 30 June 2007. The company passed a resolution on 2 July 2007 to change its year end to 30 June, and thus these statements cover the period 1 May 2006 to 30 June 2007 and on 11 July 2007 to change the company's name to Potentia International Limited.

Principal activities

The principal activities of the company were unchanged since last year which was the provision of management consultancy services.

Business review and future developments

Sales this year are up by 31% on last year because the order book that had been slower to deliver than was anticipated last year came through as expected in 2006/7. On 2 July 2007 the company's share capital was acquired by Grant Thornton UK LLP and upon acquisition the company's trade and net assets were transferred to Grant Thornton UK LLP. Thus the company ceased to trade on 2 July 2007.

Statement as to Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Dividends

The directors do not propose an ordinary dividend for the period (2006 £nil).

Directors

The directors of the company who held office during the period are set out on page 1.

Those directors serving at the end of the year had interests in the share capital of the company at 30 June as follows:

	Ordinary shares of £1 each As at 30 June 2007	Ordinary shares of £1 each As at 30 April 2006
RSM Robson Rhodes Holdings Limited	40,000	40,000
C Connor (resigned 02/07/07)	-	-
G M Field (resigned 30/4/07)	-	-
S S Heer (resigned 09/08/06)	-	-
P S Prior (appointed 09/08/06/resigned 02/07/07)	-	-
D A S Maxwell (appointed 09/08/06)	-	-
M J Cleary (appointed 02/07/07)	-	-
J D Mew (appointed 02/07/07)	-	-

REPORT OF THE DIRECTORS
(Continued)

Statement of directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial period 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 period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 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 directors are responsible for ensuring that the Report of the Directors' and other information included in the Annual Report is prepared in accordance with company law in the United Kingdom.

Post Balance Sheet Event

On 2 July 2007, Robson Rhodes Holdings Limited agreed to sell its interest in the share capital of the company to Grant Thornton UK LLP, a limited liability partnership registered in England and Wales. Immediately on acquisition the company's trade and net assets were transferred to Grant Thornton UK LLP.

On 11 July 2007 the company changed its name from RSM Potentia International Limited

Auditors

The company has passed elective resolutions that inter alia dispense with the annual re-appointment of auditors and therefore Horwath Clark Whitehill LLP continue to hold office until further notice.

Approval

The report of the directors was approved by the Board and signed on its behalf by



D A S Maxwell
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF POTENTIA INTERNATIONAL LIMITED

We have audited the financial statements of Potentia Limited for the period ended 30 June 2007 on pages 5 to 12. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and 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 Director's 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 transactions with the company 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 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 company's affairs as at 30 June 2007 and of its loss for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Director's Report is consistent with the financial statements.

Horwath Clark Whitehill LLP

Horwath Clark Whitehill LLP
Chartered Accountants and Registered Auditors
London

28 April 2008

PROFIT AND LOSS ACCOUNT
for the period ended 30 June 2007

	Note	Period ended 30 June 2007 £	Year ended 30 April 2006 £
Turnover: discontinued operations	2	293,817	226,737
Cost of sales		<u>(308,087)</u>	<u>(218,152)</u>
Gross (loss)/profit		(14,270)	8,585
Administrative expenses		<u>(454,703)</u>	<u>(44,274)</u>
Operating loss : discontinued operations	3	(468,973)	(35,689)
Interest payable to group undertaking		<u>(172)</u>	<u>(480)</u>
Loss on ordinary activities before taxation		(469,145)	(36,169)
Tax on loss on ordinary activities	6	<u>-</u>	<u>-</u>
Loss for the financial period/year	11	<u><u>(469,145)</u></u>	<u><u>(36,169)</u></u>

There are no recognised gains and losses other than the loss for the financial period

The notes numbered 1 to 14 form part of these financial statements

POTENTIA INTERNATIONAL LIMITED (formerly RSM Potentia International Limited)

BALANCE SHEET
As at 30 June 2007

	Note	As at 30 June 2007 £	As at 30 April 2006 £
Fixed assets			
Investment	7	<u>360,568</u>	<u>360,568</u>
Current assets			
Debtors	8	1,696,666	2,218,475
Cash at bank and in hand		<u>101,992</u>	<u>-</u>
		1,798,658	2,218,475
Creditors: Amounts falling due within one year	9	<u>(2,898,162)</u>	<u>(2,848,834)</u>
Net current liabilities		<u>(1,099,504)</u>	<u>(630,359)</u>
Total assets less current liabilities		<u>(738,936)</u>	<u>(269,791)</u>
Capital and reserves			
Called up share capital	10	40,000	40,000
Profit and loss account	11	<u>(778,936)</u>	<u>(309,791)</u>
Equity shareholders' funds		<u>(738,936)</u>	<u>(269,791)</u>

The financial statements were approved by the Board and signed on its behalf by



D A S Maxwell
Director

24 April 2008

The notes numbered 1 to 14 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2007

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared in accordance with applicable accounting standards under the historical cost convention. The financial statements only present information about the company and do not contain information relating to the group as a whole. The company is not required to prepare and deliver group accounts because the company is a wholly owned subsidiary of Robson Rhodes LLP (formerly RSM Robson Rhodes LLP), which is incorporated in Great Britain.

Going Concern

The financial statements have been prepared on a going concern basis which assumes continued financial support from Grant Thornton UK LLP.

Foreign currencies

Assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at 30 June 2007. Exchange differences are taken to the profit and loss account.

Turnover

Turnover consists of amounts chargeable to clients for professional services and advice supplied to third parties, together with recoverable expenses, excluding VAT.

Revenue is recognised once the contractual obligation with the client has been fulfilled and where only partially performed, revenue is recognised to the extent that the right to consideration has been obtained through performance.

Investments

Investments are stated at cost less any permanent diminution in value. Cost is purchase price including acquisition expenses.

Work in Progress

Work in progress is stated at the lower of cost and net realisable value. Cost comprises the time cost of staff, direct expenses, and an appropriate proportion of overheads. However, cost does not include member's time which is excluded from the valuation.

Net realisable value is estimated on the basis of contract value less further costs to be incurred to completion.

No revenue is recognised in the year in respect of contingent fee assignments where the contingent event has not occurred by the year-end. Where such events occur between the year-end and the approval of the accounts, work in progress is carried at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2007 (Continued)

Taxation

The charge/(credit) for taxation takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future

Cash flow statement

A cash flow statement is not prepared as the cashflows of the company are reported in the consolidated financial statements of Robson Rhodes LLP as allowed under the exemption in FRS 1, Cash Flow Statements

Related Party Transactions

Disclosure of related party transactions with Robson Rhodes LLP group entities is not required as the consolidated financial statements in which this company is included are publicly available

Deferred taxation

Deferred tax is provided, except as noted below, on timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes

In accordance with FRS 19 deferred tax is not provided on timing differences arising from

- a) revaluation gains on land and buildings, unless there is a binding agreement to sell them at the balance sheet date, and
- b) gains on the sale of non-monetary assets, where on the basis of all available evidence it is more likely than not that the taxable gain will be rolled over into replacement assets

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted

Where law or accounting standards require gains and losses to be recognised in the statement of total recognised gains and losses, the related taxation is also taken directly to the statement of total recognised gains and losses in due course

The company is subject to corporate taxation on its operating performance for the reported accounting period. Deferred tax is recognised, without discounting, on a full provision basis on all timing differences in the companies

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2007 (Continued)

2. TURNOVER

The analysis of turnover by geographical market is as follows

	Period ended 30 June 2007 £	Year ended 30 April 2006 £
United Kingdom	268,506	183,890
EU Countries	18,349	39,028
Rest of Europe	2,476	-
Other	4,486	3,819
	<u>293,817</u>	<u>226,737</u>

3. OPERATING LOSS

Operating loss is arrived at after charging

	Period ended 30 June 2007 £	Year ended 30 April 2006 £
Auditors' remuneration	3,500	3,000

4. EMPLOYEES

Average monthly number of employees

	Period ended 30 June 2007 No	Year ended 30 April 2006 No
Professional and Administration	3	2

Their associated employment costs were

Staff costs	Period ended 30 June 2007 £	Year ended 30 April 2006 £
Wages and salaries	246,367	193,571
Social security costs	25,575	17,824
Other pension costs	-	467
	<u>271,942</u>	<u>211,862</u>

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2007 (Continued)

5. DIRECTORS' EMOLUMENTS

None of the Directors were remunerated in respect of their directorships of Potentia International Ltd

6. TAX

	Period ended 30 June 2007 £	Year ended 30 April 2006 £
Taxation charge for the year		
UK Corporation tax payable @ 30%	-	-
Adjustment re prior year	-	-
Tax on loss on ordinary activities	-	-
Factors affecting tax charge for year		
	Period ended 30 June 2007 £	Year ended 30 April 2006 £
Loss on ordinary activities before tax	(469,145)	(36,169)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	(140,744)	(10,851)
Group relief	140,744	-
Other timing differences	-	10,851
Current tax (credit) / charge for year	-	-

7. INVESTMENT IN GROUP UNDERTAKING

	As at 30 June 2007 £	As at 30 April 2006 £
Cost	360,568	360,568

This comprises an investment in the following undertaking

Company	Country of incorporation	Group interest in ordinary shares
PNA Inc	USA	31.25%

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2007 (Continued)

8. DEBTORS

	As at 30 June 2007 £	As at 30 April 2006 £
Trade debtors	42,500	49,273
Amounts owed by group undertakings	1,654,126	2,168,743
Prepayments and accrued income	40	459
	<u>1,696,666</u>	<u>2,218,475</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	As at 30 June 2007 £	As at 30 April 2006 £
Trade creditors	-	-
Amounts owed to group undertakings	2,889,747	2,746,065
Other taxation and social security	-	8,836
Accruals and other deferred income	8,415	93,933
	<u>2,898,162</u>	<u>2,848,834</u>

10. SHARE CAPITAL

	As at 30 June 2007 £	As at 30 April 2006 £
Authorised		
100,000 ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid		
40,000 ordinary shares of £1 each	40,000	40,000

11. RESERVES

Profit and Loss Account

	As at 30 June 2007 £	As at 30 April 2006 £
At 1 May 2006	(309,791)	(273,622)
Movement in period	(469,145)	(36,169)
At 30 June 2007	<u>(778,936)</u>	<u>(309,791)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2007 (Continued)

12. PENSION COMMITMENTS

All employees and directors who are employees and members of Robson Rhodes LLP make their own personal pension arrangements

13. PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate and ultimate parent undertaking, Robson Rhodes LLP (formerly RSM Robson Rhodes LLP), a limited liability partnership registered in England and Wales, merged with Grant Thornton UK LLP on 2 July 2007. Grant Thornton UK LLP is now the ultimate controlling party. The financial statements for Robson Rhodes LLP, which include the company, are available from Companies House, Crown Way, Mandy, Cardiff, CF14 3UZ.

14. EVENTS AFTER THE DATE OF THE BALANCE SHEET

On 30 April 2007 Robson Rhodes LLP, the company's ultimate holding company, announced its intention to merge with Grant Thornton UK LLP. The transaction was completed on 2 July 2007.

On 2 July 2007 the company's share capital was acquired by Grant Thornton UK LLP and upon acquisition the company's trade and net assets were transferred to Grant Thornton UK LLP. Thus the company ceased to trade on 2 July 2007.