



Grant Thornton

Financial Statements

Potentia International Limited

For the year ended 30 June 2008

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Company No. 02757319

Company information

Company registration number	02757319
Registered office	Grant Thornton House Melton Street Euston Square London NW1 2EP
Directors	D A S Maxwell J D Mew
Secretary	J P Addison
Auditors	PKF (UK) LLP Farringdon Place 20 Farringdon Road London EC1M 3AP

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Report of the directors

The directors present their report and the financial statements for the year ended 30 June 2008.

Principal activity

The principal activity of the company was previously the provision of management consultancy services. On 2 July 2007, RSM Robson Rhodes Holdings Limited agreed to sell its interest in the share capital of the company to Grant Thornton UK LLP. Immediately following the sale, the company's trade and net assets were transferred to Grant Thornton UK LLP. The company has therefore not traded since 2 July 2007 and there has been no income or expenditure during the year ended 30 June 2008.

Directors

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

M J Cleary	(appointed 2 July 2007, resigned 31 December 2008)
C Connor	(resigned 2 July 2007)
D A S Maxwell	
J D Mew	(appointed 2 July 2007)
P S Prior	(resigned 2 July 2007)

No director had a direct beneficial interest in any shares of the company during the year. Grant Thornton UK LLP was the ultimate beneficial owner of the entire share capital of the company at 30 June 2008.

Directors' responsibilities

The directors are responsible for preparing the annual 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 that 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.

Report of the directors (continued)


Provision of information to auditors

In so far as each of the directors is aware:

- there is no relevant audit information of which the company'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.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD



J D Mew
Director

31 March 2009

Report of the independent auditors to the members of Potentia International Limited

We have audited the financial statements of Potentia International Limited for the year ended 30 June 2008 which comprise the profit and loss account, the balance sheet and the related notes. 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 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 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 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 have been 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 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 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.

Report of the independent auditors to the members of Potentia International Limited (continued)

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 2008 and of its result 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.

PKF (UK) LLP

PKF (UK) LLP
REGISTERED AUDITORS
LONDON, UK

3 April 2009

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover consists of amounts chargeable to clients for professional services and advice supplied 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.

Taxation

The current tax charge is based on the profit for the year and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date. Current and deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to a gain or loss that is or has been recognised directly in the statement of total recognised gains and losses.

Foreign currencies

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

Investments

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

Cash Flow Statement

A cash flow statement is not prepared as the cashflows of the company are reported in the consolidated financial statements of Grant Thornton UK LLP as allowed under the exemption in FRS1, Cash Flow Statements.

Profit and loss account

		Year ended 30 June 2008	14 months ended 30 June 2007
	Note	£	£
Turnover: discontinued operations	1	–	293,817
Cost of sales		–	(308,087)
Gross loss		–	(14,270)
Administrative expenses		–	(454,703)
Operating loss: discontinued operations	2	–	(468,973)
Interest payable to group undertaking		–	(172)
Loss on ordinary activities before taxation		–	(469,145)
Tax on loss on ordinary activities	5	–	–
Result/(loss) for the financial year		–	(469,145)

There are no recognised gains or losses other than the result/(loss) for the financial year.

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2008 £	2007 £
Fixed assets			
Investment	6	–	360,568
Current assets			
Debtors	7	–	1,696,666
Cash at bank and in hand		–	101,992
		–	1,798,658
Creditors	8	(738,936)	(2,898,162)
Net current liabilities		(738,936)	(1,099,504)
Total assets less current liabilities		(738,936)	(738,936)
Capital and reserves			
Share capital	9	40,000	40,000
Profit and loss account	10	(778,936)	(778,936)
Shareholders' funds	11	(738,936)	(738,936)

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the directors on 31 March 2009 and are signed on their behalf by:


J D Mew
Director

Notes to the financial statements

1 Turnover

The analysis of turnover by geographical market is as follows:

	Year ended 30 June 2008 £	14 months ended 30 June 2007 £
United Kingdom	–	268,506
EU countries	–	18,349
Rest of Europe	–	2,476
Other	–	4,486
	<u>–</u>	<u>293,817</u>

2 Operating loss

Operating loss is stated after charging:

	Year ended 30 June 2008 £	14 months ended 30 June 2007 £
Auditors' remuneration	–	3,500

Auditors' remuneration for the current year is borne by the parent undertaking, Grant Thornton UK LLP. The charge for the period, relating to the provision of audit services, was £1,000.

3 Employees

Average monthly number of employees, including executive directors, was:

	Year ended 30 June 2008 £	14 months ended 30 June 2007 £
Professional and administration	–	3

Notes to the financial statements (continued)

3 Employees (continued)

Staff costs, including executive directors, were:

	Year ended 30 June 2008 £	14 months ended 30 June 2007 £
Wages and salaries	-	246,367
Social security costs	-	25,575
	<u>-</u>	<u>271,942</u>

4 Directors' emoluments

None of the directors were remunerated in respect of their directorships of the company.

5 Taxation on ordinary activities

(a) Analysis of charge in the year

	Year ended 30 June 2008 £	14 months ended 30 June 2007 £
Current tax:		
UK corporation tax based on the results for the year	-	-
Total current tax	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

5 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is different to the standard rate of corporation tax in the UK of 29.5% (2007: 30%). The differences are explained as follows:

	Year ended 30 June 2008 £	14 months ended 30 June 2007 £
Loss on ordinary activities before tax	—	(469,145)
Loss on ordinary activities multiplied by rate of tax	—	(140,744)
Group relief	—	140,744
Total current tax (note 5(a))	—	—

6 Investment in group undertaking

	2008 £	2007 £
Cost at 1 July 2007	360,568	360,568
Transfers to other group companies	(360,568)	—
Cost at 30 June 2008	—	360,568

This comprises an investment in the following undertaking:

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

7 Debtors

	2008 £	2007 £
Trade debtors	—	42,500
Amounts owed by group undertakings	—	1,654,126
Prepayments and accrued income	—	40
	—	1,696,666

Notes to the financial statements (continued)

8 Creditors

	2008 £	2007 £
Amounts owed to group undertakings	738,936	2,889,747
Accruals and other deferred income	–	8,415
	<u>738,936</u>	<u>2,898,162</u>

9 Share capital

	2008 £	2007 £
Authorised 100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid 40,000 ordinary shares of £1	<u>40,000</u>	<u>40,000</u>

10 Profit and loss account

	2008 £	2007 £
At 1 July 2007	(778,936)	(309,791)
Result/(loss) for the financial year	–	(469,145)
At 30 June 2008	<u>(778,936)</u>	<u>(778,936)</u>

11 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Result/(loss) for the financial year	–	(469,145)
Opening shareholders' funds	<u>(738,936)</u>	<u>(269,791)</u>
Closing shareholders' funds	<u>(738,936)</u>	<u>(738,936)</u>

12 Controlling related parties

The company's immediate and ultimate parent undertaking is Grant Thornton UK LLP.

13 Transactions with related parties

The company has taken advantage of the exemptions available under Financial Reporting Standard 8, 'Related Party Disclosures', not to disclose any transactions or balances with entities that are 100% controlled by Grant Thornton UK LLP. The consolidated accounts of Grant Thornton UK LLP are publicly available from Companies House, Crown Way, Cardiff, CF14 3UZ.