

Company Registration No. 02870808 (England and Wales)

RPM3 LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2005



RPM3 LIMITED

COMPANY INFORMATION

Director	M.L. Butler
Secretary	A. McCarthy
Company number	02870808
Registered office	Higgison House 381-383 City Road London EC1V 1NW Great Britain
Auditors	Higgisons Higgison House 381-383 City Road London EC1V INW Great Britain
Business address	William Blake House 8 Marshall Street London W1V 2AJ

RPM3 LIMITED

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RPM3 LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 JANUARY 2005

The director presents his report and financial statements for the year ended 31 January 2005.

Principal activities

The principal activity of the company continued to be that of an advertising agency.

Director

The following director has held office since 1 February 2004:

M.L. Butler

Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	31 January 2005	1 February 2004
M.L. Butler	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Higgisons be reappointed as auditors of the company will be put to the Annual General Meeting.

Director's responsibilities

Company law requires the director 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 period. In preparing those financial statements, the director is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

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

By order of the board


A. McCarthy
Secretary
14 July 2006

RPM3 LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RPM3 LIMITED

We have audited the financial statements of RPM3 Limited for the year ended 31 January 2005 set out on pages 3 to 8. These financial statements have been prepared under the historical cost convention, the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective June 2002).

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 the director and auditors

As described in the Statement of Director's Responsibilities on page 1 the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the director's report is not consistent with the financial statements, if the company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

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

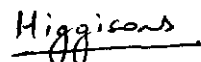
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards 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 director 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 of the state of the company's affairs as at 31 January 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Higgisons

Registered Auditor

14 July 2006

Higgison House
381-383 City Road
London EC1V 1NW
Great Britain

RPM3 LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2005

		Year ended 31 January 2005 £	Year ended 31 January 2004 £
	Notes		
Turnover		706,624	725,086
Cost of sales		(388,846)	(346,167)
Gross profit		317,778	378,919
Administrative expenses		(369,631)	(358,438)
Other operating income		1,648	-
(Loss)/profit on ordinary activities before taxation	2	(50,205)	20,481
Tax on (loss)/profit on ordinary activities	3	-	(12,436)
(Loss)/profit on ordinary activities after taxation	9	(50,205)	8,045

RPM3 LIMITED

BALANCE SHEET AS AT 31 JANUARY 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	5		79,020		99,405
Current assets					
Stocks		46,331		53,302	
Debtors	6	17,269		144,530	
Cash at bank and in hand		20,245		3,166	
		<u>83,845</u>		<u>200,998</u>	
Creditors: amounts falling due within one year	7	<u>(684,287)</u>		<u>(771,619)</u>	
Net current liabilities			<u>(600,442)</u>		<u>(570,621)</u>
Total assets less current liabilities			<u>(521,422)</u>		<u>(471,216)</u>
Capital and reserves					
Called up share capital	8		2		2
Profit and loss account	9		<u>(521,424)</u>		<u>(471,218)</u>
Shareholders' funds			<u>(521,422)</u>		<u>(471,216)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 14 July 2006

M.L. Butler
Director

RPM3 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	10% on cost
Fixtures, fittings & equipment	20% - 25% on cost

1.6 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

2	Operating (loss)/profit	2005 £	2004 £
	Operating (loss)/profit is stated after charging:		
	Amortisation of intangible assets	-	833
	Depreciation of tangible assets	20,892	16,013
	Auditors' remuneration	4,250	4,250
	Director's emoluments	-	18,427
	Compensation for loss of office paid to directors	-	30,000
		<hr/>	<hr/>
3	Taxation	2005 £	2004 £
	Domestic current year tax		
	U.K. corporation tax	-	186
	Adjustment for prior years	-	12,250
		<hr/>	<hr/>
	Current tax charge	-	12,436
		<hr/>	<hr/>

The company has estimated losses of £ 60,404 (2004 - £ 24,762) available for carry forward against future trading profits.

RPM3 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2005

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 February 2004 & at 31 January 2005	10,000
Amortisation	
At 1 February 2004 & at 31 January 2005	10,000
Net book value	
At 31 January 2005	-
At 31 January 2004	-

5 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 February 2004	70,532	145,881	216,413
Additions	-	508	508
At 31 January 2005	70,532	146,389	216,921
Depreciation			
At 1 February 2004	8,463	108,544	117,007
Charge for the year	7,053	13,841	20,894
At 31 January 2005	15,516	122,385	137,901
Net book value			
At 31 January 2005	55,016	24,004	79,020
At 31 January 2004	62,068	37,337	99,405

6 Debtors

	2005 £	2004 £
Trade debtors	-	111,720
Other debtors	17,269	32,810
	17,269	144,530

RPM3 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2005

7	Creditors: amounts falling due within one year	2005	2004
		£	£
	Trade creditors	636,505	670,523
	Taxation and social security	8,360	10,483
	Other creditors	39,422	90,613
		<u>684,287</u>	<u>771,619</u>
8	Share capital	2005	2004
		£	£
	Authorised		
	100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
9	Statement of movements on profit and loss account		Profit and loss account £
	Balance at 1 February 2004		(471,219)
	Retained loss for the period		<u>(50,205)</u>
	Balance at 31 January 2005		<u>(521,424)</u>

10 Control

The company is owned by Butler Lutos Sutton Wilkinson Group Limited and the ultimate parent company is Blake Communications Limited. Both companies are registered in England and Wales.

RPM3 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2005

11 Related party transactions

During the year the following transactions took place with associated companies in which the directors have an interest:

	2005 £	2004 £
Artwork charged to:		
Lewis Broadbent Advertising Limited	340,556	459,914
Connell May & Steavenson Limited	317,669	235,156
TSM (UK) Limited	-	20,016
Artwork charged by Lewis Broadbent Advertising Limited	211,759	166,439
Artwork charged by Connell May & Steavenson Limited	-	7,745
Management charged by Lewis Broadbent Advertising Limited	-	5,565
Management and accommodation charged by Connell May & Steavenson Limited	215,024	210,387

At 31 January 2005, creditors included an amount of £654,115 (2004: £725,040) owed by RPM3 Limited to associated companies in which the directors have an interest.

At 31 January 2005, debtors included an amount of £Nil (2004: £124,124) owed to RPM3 Limited by associated companies in which the directors have an interest.