

# **Valpak (UK) Limited**

## **Report and Financial Statements**

for the year ended 31 December 2003

*Registered Number: 2873069*



## **Valpak (UK) Limited**

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Registered No: 2873069

### **DIRECTORS**

Jonson Cox (resigned 14 January 2004)  
Philip Gale (appointed 27 February 2003)  
Steven Gough (appointed 14 January 2004)

### **SECRETARY**

Anne Sheffield (resigned 6 May 2003)  
Penny Osborne (appointed 6 May 2003)

### **AUDITORS**

Ernst & Young LLP  
One Colmore Row  
Birmingham  
B3 2DB

### **SOLICITORS**

Allen & Overy  
One New Change  
London  
EC4M 9QQ

### **REGISTERED OFFICE**

Stratford Business Park  
Banbury Road  
Stratford-upon-Avon  
CV37 7GW

# Valpak (UK) Limited

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## DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2003.

### RESULTS AND DIVIDENDS

A loss of £50,000 (2002: £74,000) is shown in the profit and loss account. No dividends were paid or proposed during the period (2002: nil).

### PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company's principal activity during the period was the management and licensing of the Green Dot registered trademark, this activity having been carried out on behalf of the mark's proprietor PRO-Europe s.p.a.

### FUTURE DEVELOPMENTS

The company will continue to manage and license the Green Dot registered trademark.

### POLITICAL AND CHARITABLE CONTRIBUTIONS

The company has not made any political or charitable contributions during the year.

### DIRECTORS AND THEIR INTERESTS

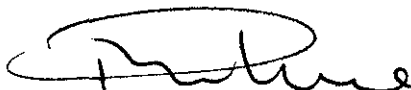
The directors as at 31 December 2003 are shown on page 1.

There are no directors' interests requiring disclosure under the Companies Act 1985.

### AUDITORS

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting.

By order of the board



Philip Gale  
Director

26 MARCH 2004

## Valpak (UK) Limited

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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 period. 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 accounts; 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 to 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 MEMBERS OF VALPAK (UK) LIMITED**

We have audited the company's financial statements for the year ended 31 December 2003 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, and the related notes 1 to 14. These financial statements have been prepared on the basis of 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 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 directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and 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 Directors' Report is not consistent with the financial statements, if 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 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 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 of the state of affairs of the company as at 31 December 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered Auditor  
Birmingham

26 March 2004

## Valpak (UK) Limited

### PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2003

	<i>Notes</i>	<i>2003 £000</i>	<i>2002 £000</i>
<b>TURNOVER</b>	2	36	46
Operating costs		(108)	(156)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	(72)	(110)
<b>TAX ON LOSS ON ORDINARY ACTIVITIES</b>	6	22	36
<b>LOSS FOR THE YEAR</b>	12	(50)	(74)
		<u>          </u>	<u>          </u>

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss shown in the profit and loss account.

# Valpak (UK) Limited

## BALANCE SHEET

as at 31 December 2003

	<i>Notes</i>	<i>2003 £000</i>	<i>2002 £000</i>
<b>FIXED ASSETS</b>			
Tangible assets	7	-	33
		<u>          </u>	<u>          </u>
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	8	24	6
Cash at bank and in hand		50	92
		<u>      74      </u>	<u>      98      </u>
<b>CREDITORS: amounts falling due within one year</b>	9	(299)	(306)
<b>NET CURRENT LIABILITIES</b>		<u>     (225)     </u>	<u>     (208)     </u>
<b>NET LIABILITIES</b>		<u>     (225)     </u>	<u>     (175)     </u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	-	-
Profit and loss account	12	(225)	(175)
Total shareholders' funds	12	<u>     (225)     </u>	<u>     (175)     </u>
		<u>                  </u>	<u>                  </u>



Steve Gough  
Director

26 March 2004

# Valpak (UK) Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

### 1. ACCOUNTING POLICIES

#### *Basis of preparation*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

The accounts have been prepared on a going concern basis as the parent company has committed to support the company to meet its commitments as and when they fall due.

#### *Depreciation*

Depreciation is provided on all tangible fixed assets at rates calculated to write off the costs, less estimated residual value, of each asset evenly over its expected useful life as follows:

Computer equipment    3 years

#### *Cash flow statement*

No cash flow statement has been prepared under FRS1 (revised) as the company is a small company as defined by the Companies Act 1985.

#### *Pensions*

The parent company Valpak Limited provides a group personal pension scheme under which defined contributions are made to the administered funds. Contributions are charged in the profit and loss account of Valpak(UK) Limited as they become payable in accordance with the rules of the scheme.

#### *Deferred taxation*

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less in the future have occurred.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 2. TURNOVER

Turnover is attributable to the company's principal activity which is the managing and licensing of the Green Dot registered trademark. All business is derived from the UK.

### 3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2003	2002
	£000	£000
Loss on ordinary activities before taxation is stated after charging:		
Depreciation	33	13
Auditors' remuneration    Audit services	2	2
Non audit services	1	1
	<u>          </u>	<u>          </u>



# Valpak (UK) Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

### 4. STAFF COSTS

	2003	2002
	£000	£000
Wages and salaries	24	89
Social security costs	2	9
Pension and other costs	2	4
	<u>28</u>	<u>102</u>
	<u>Number</u>	<u>Number</u>
Average number of staff during the period	1	3

All staff employment contracts are with the parent undertaking Valpak Limited, who recharge the cost of their employment to the company

### 5. DIRECTORS' EMOLUMENTS

The directors received no emoluments from the company during the period.

### 6. TAX ON LOSS ON ORDINARY ACTIVITIES

	2003	2002
	£000	£000
<b>UK Corporation tax</b>		
Group relief recoverable	14	36
Adjustments in respect of previous periods	(4)	-
	<u>10</u>	<u>36</u>
<b>Deferred tax</b>		
Originating and reversal of timing differences	12	-
	<u>22</u>	<u>36</u>

#### *Factors affecting the tax credit for the period*

The tax assessed on the loss on ordinary activities for the period is different from the standard rate of corporation tax in the UK. The differences are explained below:-

	2003	2002
	£000	£000
Loss on ordinary activities before tax	(72)	(109)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2002:30%)	(22)	(33)
Effect of:		
Disallowed expenses and non-taxable income	-	1
Depreciation in excess of /(less than) capital allowances	8	(4)
Adjustments in respect of previous periods	4	-
<b>Current tax charge for the period</b>	<u>(10)</u>	<u>(36)</u>

# Valpak (UK) Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

### 7. TANGIBLE FIXED ASSETS

	<i>Computer equipment £000</i>
<b>Cost:</b>	
At 1 January 2003	47
Additions	-
As at 31 December 2003	47
<b>Depreciation:</b>	
At 1 January 2003	14
Charge for the period	33
As at 31 December 2003	47
<b>Net book value at 31 December 2003</b>	-
Net book value at 31 December 2002	33

### 8. DEBTORS: amounts falling due within one year

	2003 £000	2002 £000
Trade debtors	1	6
Deferred tax asset (note 10)	12	-
Amounts owed by group undertakings	11	-
	24	6

### 9. CREDITORS: amounts falling due within one year

	2003 £000	2002 £000
Amounts owed to group undertakings	292	294
Other creditors and accruals	7	12
	299	306

### 10. DEFERRED TAXATION

	2003 £000	2002 £000
At 1 January	-	-
Profit and Loss account	12	-
At 31 December	12	-
<b>The deferred tax consists of:</b>		
Depreciation in excess of capital allowances	7	-
Other timing differences	5	-
<b>Total deferred tax assets (note 8)</b>	12	-

## Valpak (UK) Limited

### NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

#### 11. CALLED UP SHARE CAPITAL

	<i>Authorised number</i>	<i>Issued &amp; fully paid number</i>	<i>Issued &amp; fully paid £000</i>
1 January 2003 and 31 December 2003 Ordinary shares of £1 each	100	1	-
	<u>          </u>	<u>          </u>	<u>          </u>

#### 12. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share Capital £000</i>	<i>Profit &amp; Loss £000</i>	<i>Total £000</i>
At 1 January 2003	-	(175)	(175)
Loss for the period	-	(50)	(50)
At 31 December 2003	<u>-</u>	<u>(225)</u>	<u>(225)</u>

#### 13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with fellow group companies as it is a wholly owned subsidiary of Valpak Limited. There are no other related party transactions.

#### 14. PARENT UNDERTAKING

The company's immediate and ultimate parent undertaking is Valpak Limited, a company incorporated in England and Wales. Copies of the group financial statements, which include the company, are available from Valpak Limited, Stratford Business Park, Banbury Road, Stratford upon Avon.