

Company Registration No. 03148086

Carat Interactive Limited

Report and Financial Statements

31 December 2006

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Carat Interactive Limited

Report and financial statements 2006

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Carat Interactive Limited

Report and financial statements 2006

Officers and professional advisers

Directors

J L Foster
J M Harris
R A Horler
N Sharrocks

Secretary

J L Foster

Registered Office

Parker Tower
43-49 Parker Street
London
WC2B 5PS

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

Carat Interactive Limited

Directors' report

The directors present their report and the financial statements of Carat Interactive Limited ('the company') for the year ended 31 December 2006. This directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

Principal activity and review of business

The company did not trade during the year and expects to remain dormant for the foreseeable future.

Financial risk

The directors consider that the only financial risk relevant to the company is credit risk. The company's only receivable is from a related group company that is commonly controlled. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

The company does not use derivative financial instruments.

Results and dividends

The total recognised profit for the financial year was nil (2005 – nil). The directors recommended and paid a dividend of £507,578 (2005 – nil).

Directors and their interests

The directors who served during the year are shown on page 1. None of the directors of the company have held any interest in the share capital of the company during the year or since year end.

Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board

JL Foster
Director
30 October 2007



London

Carat Interactive Limited

Statement of directors' responsibilities

United Kingdom 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 as at the end of the financial year 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, 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 the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Carat Interactive Limited

Independent auditors' report to the members of Carat Interactive Limited

We have audited the financial statements of Carat Interactive Limited for the year ended 31 December 2006, which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 9. 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 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

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 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 state of the company's affairs as at 31 December 2007 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.

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London, UK

~~30 October 2007~~

Deloitte + Touche LLP
31 October 2007

Carat Interactive Limited

Profit and loss account Year ended 31 December 2006

	Note	2006 £	2005 £
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
Profit on ordinary activities after taxation		-	-
Dividend paid	3	(507,578)	-
Retained loss for the financial year		(507,578)	-

All amounts relate to continuing operations

The company had no recognised gains or losses during the current or preceding year other than those reflected in the above profit and loss account and therefore no separate statement of total recognised gains and losses has been presented

Carat Interactive Limited

Balance sheet 31 December 2006

	Note	2006 £	2005 £
Current assets			
Debtors	4	100	507,678
Net assets		<u>100</u>	<u>507,678</u>
Capital and Reserves			
Called up share capital	5	100	100
Profit and loss account	6	-	507,578
Shareholder's funds		<u>100</u>	<u>507,678</u>

These financial statements were approved by the Board of Directors on 30 October 2007
Signed on behalf of the Board of Directors

J L Foster
Director



Carat Interactive Limited

Notes to the accounts 31 December 2006

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below and have been applied consistently in both the current and preceding years.

Accounting convention

The financial statements are prepared under the historical cost convention.

Cash flow statement

The financial statements of Aegis Group plc for the year ended 31 December 2006 contain a consolidated statement of cash flows. Therefore the company has taken advantage of the exemption granted under FRS 1 (revised) whereby it is not required to publish its own statement of cash flows.

2. Audit fees and director's remuneration

No remuneration was paid to the directors of the company during the year (2005 - nil).

The audit fee of £3,000 for the audit of the company has been borne by the company's immediate parent company, Aegis Media UK & Ireland Limited. No fees were paid to the company's auditors for any other service.

3. Dividend paid

	2006 £	2005 £
Dividend paid - £5,075.78 per share (2005 - nil)	<u>507,578</u>	<u>-</u>

4 Debtors

	2006 £	2005 £
Amounts due from related group company	<u>100</u>	<u>507,678</u>

5. Share capital

	2006 £	2005 £
Authorised:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Carat Interactive Limited

Notes to the accounts 31 December 2006

6. Reserves

	2006 £	2005 £
Profit and loss account		
At 1 January	507,578	507,578
Retained profit for the financial year	-	-
Dividend paid	(507,578)	-
At 31 December	-	507,578

7 Related party transactions

The company has taken advantage of the exemption available to 90% owned subsidiaries, as defined by FRS 8, not to disclose related party transactions with other group companies. All transactions between the company and other group companies have been at arm's length.

There were no other transactions with related parties during the current or prior year.

8. Ultimate holding company

The parent undertaking of the smallest group of which the company is a member is Aegis Media UK & Ireland Limited, which is incorporated in Great Britain and registered in England and Wales. The ultimate parent undertaking is Aegis Group plc, which is also incorporated in Great Britain and registered in England and Wales.

The consolidated financial statements of Aegis Group plc are available to the public and may be obtained from Aegis Group plc, 43-45 Portman Square, London W1H 9TH.

9 Directors' interests

None of the directors held any shares in the company at the beginning and end of the year.

