

Big Communications Limited

Company No. 3162997

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2007

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Big Communications Limited

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Big Communications Limited

Company Information

Officers and professional advisers

Directors

D Bogg
I Ferguson
M Firth
C Morris
J Shurville
P Wright

Company Secretary

Capita Company Secretarial Services Limited

Registered Office

223 London Road
Leicester
LE2 1ZE

Bankers

NatWest Bank
Exeter, Exeter Bank Branch
Exeter
EX4 3DL

Solicitors

Howes Percival
252 Upper Third Street
Grafton Gate East
Central Milton Keynes
MK9 1DZ

Auditors

Kingston Smith LLP
Chartered Accountants
141 Wardour Street
London W1F 0UT

Big Communications Limited

Directors' report

for the year ended 31 December 2007

The directors present their report and financial statements for the year ended 31 December 2007

Principal activity

The company's principal activity is that of providing creative and marketing support to a range of clients nationally. Activities cover advertising, design, literature, corporate identity, packaging, new product development, point of sale and marketing consultancy.

Business review

Another year of strong growth particularly from incumbent business with sales growth of 7.3% and gross profit growth of 16.1%. The operating profit for the year at £1,364k (2006, £1,088k) was also strong.

Results and dividends

The audited financial statements for the year ended 31 December 2007 are set out on pages 5 to 13. The company's profit for the year after taxation was £976k (2006 £776k). An ordinary interim dividend was paid during the year of £174k (2006 £770k).

Directors

The directors who served throughout the year are shown below:

D Bogg
I Ferguson
M Firth
C Morris
J Shurville
P Wright

Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare accounts for the company in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). Company law requires the directors to prepare such 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 and comply with UK GAAP and the Companies Act 1985. 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,

Big Communications Limited

Directors' report (continued)

- 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. The Directors 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.

Statement of disclosure to auditor

(a) So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and,

(b) they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provision of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

On behalf of the board

4 March 2008
Director

Independent Auditors' Report to the shareholders of Big Communications Limited

We have audited the financial statements of Big Communications Limited for the year ended 31 December 2007 which comprise the Profit & Loss Account, Balance Sheet and related notes. These financial statements have been prepared in accordance with the United Kingdom Generally Accepted Accounting Practice, under the historical cost convention and 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

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 law and United Kingdom Accounting Standards (Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom 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, in accordance with the relevant financial reporting framework, and are properly prepared in accordance with the Companies Act 1985. We also report 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 the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

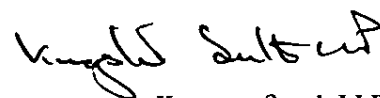
Basis of Opinion

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 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 at 31 December 2007, and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and that the information given in the directors' report is consistent with the financial statements.



Kingston Smith LLP
Chartered Accountants
and Registered Auditors
4th March 2008

141 Wardour Street
London W1F 0UT

Big Communications Limited
Profit and Loss Account
for the year ended 31 December 2007

	Note	2007 £	2006 £
Turnover	1	6,533,924	6,086,636
Cost of sales		<u>(2,125,816)</u>	<u>(2,288,422)</u>
Gross profit		4,408,108	3,798,214
Administration expenses		(3,164,221)	(2,814,146)
Other income		<u>120,000</u>	<u>103,600</u>
Operating profit	2	1,363,887	1,087,668
Interest receivable	3	<u>3,724</u>	<u>13,583</u>
Profit on ordinary activities before taxation		1,367,611	1,101,251
Tax on profit on ordinary activities	5	(391,173)	(325,295)
Profit for the year	12	<u><u>976,438</u></u>	<u><u>775,956</u></u>

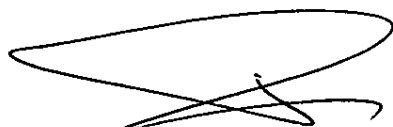
The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains or losses other than the profit for the years as above, accordingly no statement of total recognised gains and losses is presented

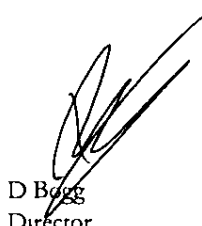
Big Communications Limited
Balance Sheet
As at 31 December 2007

	Notes	2007	2006
		£	£
Fixed assets			
Tangible fixed assets	7	297,323	150,781
Current assets			
Debtors	8	1,612,053	1,403,362
Cash at bank and in hand		<u>1,229,558</u>	<u>993,115</u>
		2,841,611	2,396,477
Creditors Amounts falling due within one year	9	<u>(1,306,832)</u>	<u>(1,517,507)</u>
Net current assets		1,534,779	878,970
Total Assets less current liabilities		<u>1,832,102</u>	<u>1,029,751</u>
Capital and reserves			
Called up share capital	10	45,454	45,454
Share Premium account	11	24,869	24,869
Profit and loss reserve	11	<u>1,761,779</u>	<u>959,428</u>
Equity Shareholders' funds	12	<u>1,832,102</u>	<u>1,029,751</u>

The financial statements were approved for issue by the Board on 4 March 2008 and signed on its behalf by



P Wright
Director



D Bogg
Director

Big Communications Limited

Notes to the Financial Statements

for the year ended 31 December 2007

1 Accounting policies

Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently and remain unchanged from the previous period

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary where 90 percent or more of the voting rights are controlled within the group

Turnover

Turnover comprises value of sales (excluding VAT, trade discounts and similar charges) for services provided in the normal course of business. Turnover is derived solely from the company's principal activities and arose wholly in the United Kingdom

Income recognition

Both fee income and recharged costs are billed and recognised in the period in which the work was completed or the costs incurred. Where there are exceptions to this income is deferred or accrued as necessary. For projects falling over the financial year end, income is recognised to reflect the partial performance of the contractual obligations in accordance with UITF 40

Leases

Rental payments under operating leases are charged against income on a straight-line basis over the lease term, even if the payments are not made on such a basis

Pension costs

Payments into the defined contribution pension scheme are charged to the profit and loss account as they fall due in accordance with FRS 17

Big Communications Limited

Notes to the Financial Statements

for the year ended 31 December 2007

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over its expected useful life as follows:

Computer equipment	25% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	25% straight line

Taxation

UK corporation tax payable is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements; deferred total assets are not discounted.

Big Communications Limited
Notes to the Financial Statements
for the year ended 31 December 2007 (continued)

2 Operating Profit

Profit on ordinary activities before tax is stated after charging/(crediting)

	2007	2006
	£	£
Depreciation	62,416	50,463
Directors' remuneration	324,400	196,484
Auditors' remuneration	13,272	13,297
Operating lease rentals	30,559	40,832
- plant and machinery		
- other	66,000	66,000
	<u>66,000</u>	<u>66,000</u>

3 Investment Income

Bank Interest	<u>3,724</u>	<u>13,583</u>
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4 Directors' emoluments and staff costs

The average monthly number of employees (including executive directors) was

	No	No
Production	64	53
Administration	6	6
	<u>70</u>	<u>59</u>

Staff costs including directors' costs, are analysed below

	2007	2006
	£	£
Wages and salaries	2,055,301	1,873,323
Social security costs	215,707	195,276
Other pension costs	123,947	99,299
	<u>2,394,955</u>	<u>2,167,898</u>

The total amounts for directors' remuneration and other benefits were as follows

	2007	2006
	£	£
Emoluments	299,200	182,834
Money purchase contributions	25,200	13,650
	<u>324,400</u>	<u>196,484</u>

The highest paid directors' remuneration and other benefits for the year were

	£	£
Emoluments	<u>82,500</u>	<u>44,688</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (2006 - 2)

Big Communications Limited
Notes to the Financial Statements
for the year ended 31 December 2007 (continued)

5 Tax on Loss on Ordinary Activities

a) Analysis of tax charge on ordinary activities	2007	2006
	£	£
Current taxation		
UK Corporation tax at 30% (2006 30%)	214,285	329,750
Group Relief	199,609	(4,455)
Overprovision in prior periods	(22,721)	-
Total current tax	<u>391,173</u>	<u>325,295</u>
Deferred taxation		
Timing differences, origination and reversal	-	-
Total tax on profit on ordinary activities	<u><u>391,173</u></u>	<u><u>325,295</u></u>

b) factors affecting corporation tax charge for the year

	2007	2006
	£	£
Profit on ordinary activities before tax	<u>1,367,611</u>	<u>1,101,251</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 30% (2006 30%)	410,283	330,375
Effects of		
Expenses not deductible for tax purposes	4,125	11,841
Capital allowances in excess of depreciation	(514)	(7,753)
Adjustments in respect of prior years	(22,721)	(4,455)
Current tax charge for the period	<u><u>391,173</u></u>	<u><u>325,295</u></u>

6 Dividends

	£	£
Ordinary Interim paid	<u>174,087</u>	<u>770,109</u>

Big Communications Limited
Notes to the Financial Statements
for the year ended 31 December 2007 (continued)

7 Tangible fixed assets

	Computer Equipment	Fixtures, fittings & equipment	Motor vehicles	Total
Cost	£	£	£	£
At 1 January 2007	415,055	82,488	21,782	519,325
Additions	43,379	165,579	-	208,958
Disposals	(1,025)	-	(12,698)	(13,723)
At 31 December 2007	<u>457,409</u>	<u>248,067</u>	<u>9,084</u>	<u>714,560</u>
Depreciation				
At 1 January 2007	295,344	51,418	21,782	368,544
Charge for the year	51,782	10,634	-	62,416
Disposals	(1,025)	-	(12,698)	(13,723)
At 31 December 2007	<u>346,101</u>	<u>62,052</u>	<u>9,084</u>	<u>417,237</u>
Net book value				
At 31 December 2007	<u>111,308</u>	<u>186,015</u>	<u>-</u>	<u>297,323</u>
At 31 December 2006	<u>119,711</u>	<u>31,070</u>	<u>-</u>	<u>150,781</u>

8. Debtors

	2007 £	2006 £
Trade debtors	1,351,955	1,144,063
Prepayments and accrued income	62,769	143,094
Amounts owed by parent	13,384	-
Amounts owed by group companies	170,073	116,205
Other debtors	13,872	-
	<u>1,612,053</u>	<u>1,403,362</u>

9 Creditors amounts falling due within one year

	£	£
Trade creditors	311,112	123,373
Corporation tax	214,285	8,142
Other taxes and social security costs	224,882	189,107
Accruals and deferred income	348,511	281,442
Other creditors	1,196	2,986
Amounts owed to group companies	206,846	912,457
	<u>1,306,832</u>	<u>1,517,507</u>

Big Communications Limited
Notes to the Financial Statements
for the year ended 31 December 2007 (continued)

10 Called up share capital	2007	2006
	£	£
Authorised		
Ordinary shares of £1 each	50,000	50,000
	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	45,454	45,454
	<u>45,454</u>	<u>45,454</u>

11 Reserves

	Share premium account £	Profit and loss account £	Total £
At 1 January 2007	24,869	959,428	984,297
Retained profit for the year	-	976,438	976,438
Dividend Paid	-	(174,087)	(174,087)
At 31 December 2007	<u>24,869</u>	<u>1,761,779</u>	<u>1,786,648</u>

12 Reconciliation of the movement in shareholders' funds

	2007	2006
	£	£
Profit for the year	976,438	775,956
Dividends	(174,087)	(770,109)
Opening shareholders' funds	1,029,751	1,023,904
Closing shareholders' funds	<u>1,832,102</u>	<u>1,029,751</u>

13 Contingent liabilities

The company is party to a cross guarantee structure with the Group's bankers by means of a fixed and floating charge over all of the assets of the group companies in favour of the Royal Bank of Scotland and HSBC plc. The amount dealt with in these financial statements is £nil (31 December 2006 £nil).

As at 31 December 2007, net assets of the group were £44,665,000, and net borrowings under this group arrangement amounted to £25,445,000.

Big Communications Limited
Notes to the Financial Statements
for the year ended 31 December 2007(continued)

14 Commitments

Capital Commitments

The company had no capital commitments outstanding at 31 December 2007 (2006 £nil)

Lease commitments

Current annual rental commitments under operating leases are as follows

	Land and buildings		Other	
	2007	2006	2007	2006
	£	£	£	£
Operating leases which expire within one year	-	-	3,770	10,641
Operating leases which expire between two and five years	<u>66,000</u>	<u>66,000</u>	<u>24,379</u>	<u>31,292</u>

15 Related party transactions

The company has taken advantage of the exemption in FRS 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are produced by the ultimate parent company

Dylan Bogg is also a director of Zetland Limited, a company which is also a client of Big Communications Limited
Sales from Big Communications Limited to Zetland Limited at arms length amounted to £10,130

16 Parent company and ultimate controlling undertaking

The ultimate controlling party and the parent of the smallest and largest group, of which the company is a member, to prepare group accounts is Mission Marketing Group PLC. The consolidated accounts of Mission Marketing Group PLC are available to the public and may be obtained from Companies House (21 Bloomsbury Street, London, WC1B 3XD).

The immediate parent company is The Mission Marketing Group PLC registered in England and Wales
There is no single controlling party