

Evolution Securities Nominees Limited

Report and Financial Statements For the year ended 31 December 2006

Registered Number: 3232751

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Evolution Securities Nominees Limited

DIRECTORS REPORT

For the year ended 31 December 2006

The directors present their report and the financial statements for the year ended 31 December 2006

Basis of preparation

Following the adoption of IAS Regulation (EC) 1606/2002 on 19 July 2002 by the European Parliament, Evolution Securities Nominees Limited (the "Company") is allowed to prepare financial statements in accordance with IFRS as adopted by the European Union ("EU") for the year beginning 1 January 2005

The Company has applied IFRS for the year ended 31 December 2006, with one year of comparative figures under IFRS as endorsed by the EU. Accordingly, the Company's date of transition to IFRS is 1 January 2005 and its first full reporting period under IFRS is for the year ended 31 December 2006

The Company has not provided a cashflow statement since it does not have any bank accounts for which it is a beneficiary, acting as it does as a nominee for its parent company

The transition to IFRS has had no impact on the financial statements of the Company and therefore no reconciliations have been prepared. There is no impact for the following reconciliations:

- 1) Reconciliation of equity at 1 January 2005
- 2) Reconciliation of equity at 31 December 2005
- 3) Reconciliation of profit for the year at 31 December 2005

Therefore no transition tables are required, and have not been prepared by the Company

Principal Activities

The Company is a dormant company. The sole activity of the Company is to act as a nominee for Evolution Securities Limited in respect of securities registered in its name, with the associated collection of dividends on behalf of the beneficial owners, and it has not therefore traded since incorporation. As it has neither received income nor incurred expenditure, no income statement is presented.

Directors

The directors of the Company who held office since 1 January, unless otherwise stated, are as shown below:

	Date of appointment
Alex Snow	-
Graeme Dell	-
Timothy Valmas	-
David Horsley	-
Stephen Wain	-

The directors have no interest in the share capital of the Company

Directors' interests in ordinary shares of the Evolution Group Plc

The following directors have interests in the share capital of the Parent company, The Evolution Group Plc as at 31 December 2006, and are also directors of The Evolution Group Plc: Graeme Dell and Alex Snow. Their interests are disclosed in the financial statements of The Evolution Group Plc in accordance with the Companies Act 1985.

The remaining directors in office at the year end have no interest in the ordinary share capital of the parent company, The Evolution Group Plc.

Evolution Securities Nominees Limited

DIRECTORS REPORT (continued) For the year ended 31 December 2006

Directors shares under option

Date of grant	Earliest exercise date	Expiry Date	Exercise price (pence)	At 1 January 2006	Granted during the year	Exercised during the year	Cancelled during the year	At 31 December 2006
Timothy Valmas								
31 01 03	31 01 06	31 01 13	1 0	50,000	-	(50,000)	-	-
23 01 04	22 01 07	23 01 14	1 0	100,000	-	-	-	100,000
21 01 05	31 01 08	21 01 15	1 0	200,000	-	-	-	200,000
05 06 06	05 06 09	05 06 16	1 0	-	19,018	-	-	19,018
David Horsley								
31 01 03	31 01 06	31 01 13	1 0	50,000	-	(50,000)	-	-
23 01 04	22 01 07	23 01 14	1 0	100,000	-	-	-	100,000
21 01 05	31 01 08	21 01 15	1 0	200,000	-	-	-	200,000
05 06 06	05 06 09	05 06 16	1 0	-	19,018	-	-	19,018
Stephen Wain								
19 01 06	19 01 09	19 01 16	1 0	-	25,000	-	-	25,000

On 26 January 2007, directors were awarded 380,557 options under the Evolution Group Plc 2002 Executive Share Incentive Plan. The satisfactory employment by the individual within a Group company throughout the period following grant of an award is required. The price to be paid on exercise of these awards is the greater of £1 or the nominal value of shares to be subscribed for. The awards may be exercised after two years from the date of grant.

On 26 January 2007, directors were awarded 225,000 points under the Evolution Group Plc 2006 Performance Share Plan. In conjunction with the above awards, the satisfactory employment by the individuals within a Group company throughout the period following grant of an award is required. The price to be paid on exercise of these awards is the greater of £1 or the nominal value of shares to be subscribed for. The awards may be exercised from 30 June 2009.

The charge for these options is taken in the parent company for which the directors perform their duties.


Company Secretary

Scrip Secretaries Limited

DIRECTORS REPORT (continued)
For the year ended 31 December 2006

Statement of Directors' Responsibilities

The following statement is to establish the responsibilities of the directors in relation to the financial statements

The directors are required by Section 226 of the Companies Act 1985 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 for the financial year

The directors consider that in preparing the financial statements on pages 4 to 6 that


- the Company have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and
- all the accounting standards which they consider to be applicable have been followed, and
- the financial statements have been prepared on a going concern basis

The directors have responsibility for ensuring that the Company keep accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure the financial statements comply with Section 221 of the Companies Act 1985

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

The directors confirm that they have complied with the above requirements in preparing the financial statements

BY ORDER OF THE BOARD



Graeme Dell
Director
15 August 2007

Evolution Securities Nominees Limited

**BALANCE SHEET
AS AT 31 DECEMBER**

	Note	2006 £	2005 £
Current assets			
Amounts owed by immediate parent company (Evolution Securities Limited)		<u>100</u>	<u>100</u>
Capital and reserves			
Share capital	4	<u>100</u>	<u>100</u>

For the year ended 31 December 2006, the Company was entitled to the exemption under section 249AA (1) of the Companies Act 1985

Members have not required the Company to obtain an audit in accordance with section 249(B)(2) of the Companies Act 1985

The directors have acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of its profit or loss for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company

The notes on pages 5 to 6 form an integral part of these financial statements

The financial statements on pages 4 to 6 were approved by the Board of Directors on 15 August 2007



Graeme Dell
Director

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2006

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented.

Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"). The financial statements have been prepared under the historical cost convention. These financial statements have been prepared in accordance with IFRS and IFRIC interpretations and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS.

The Company has applied IFRS for the year ended 31 December 2006 with one year of comparative figures under IFRS as adopted by the EU. Figures presented are in Sterling. The Company's date of transition to IFRS is 1 January 2005 and its first reporting period under IFRS is for the year ended 31 December 2005. The 2006 results are therefore entirely comparable to those of 2005.

The Company has not provided a cashflow statement since it does not have any bank accounts for which it is a beneficiary, acting as it does as a nominee for its parent company.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

2. INCOME STATEMENT

The Company has not traded during the year and therefore has made neither a profit or a loss. There have been no recognised gains or losses or movement in equity shareholders funds in the year. The expenses of the Company have been borne by the immediate parent company, Evolution Securities Limited, it has no employees and no remuneration has been paid to its directors.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2006

3. SHARE CAPITAL

	2006 £	2005 £
Authorised 1,000 ordinary shares of £1 each	1,000	1,000
Allotted and called up 100 ordinary shares of £1 each	100	100

4. POST BALANCE SHEET EVENTS

On 26 January 2007, directors were awarded 380,557 options under the Evolution Group Plc 2002 Executive Share Incentive Plan. The satisfactory employment by the individual within a Group company throughout the period following grant of an award is required. The price to be paid on exercise of these awards is the greater of £1 or the nominal value of shares to be subscribed for. The awards may be exercised after two years from the date of grant.

On 26 January 2007, directors were awarded 225,000 points under the Evolution Group Plc 2006 Performance Share Plan. In conjunction with the above awards, the satisfactory employment by the individuals within a Group company throughout the period following grant of an award is required. The price to be paid on exercise of these awards is the greater of £1 or the nominal value of shares to be subscribed for. The awards may be exercised from 30 June 2009.

5. ULTIMATE HOLDING COMPANY

The ultimate holding company and the controlling party is The Evolution Group Plc, a company incorporated in Great Britain and registered in England and Wales. The Evolution Group Plc and Evolution Securities Nominees Limited statutory accounts are available from the Secretary, 9th Floor, 100 Wood Street, London, EC2V 7AN.