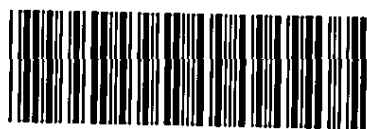


Company No: 3241871

SBS GROUP LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 10 MARCH 2009

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COMPANIES HOUSE

Jeffreys Henry LLP

Finsgate
5-7 Cranwood Street
London
EC1V 9EE

SBS GROUP LIMITED

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SBS GROUP LIMITED

ADVISERS

FOR THE YEAR ENDED 10 MARCH 2009

Company number

3241871

Registered Office

Finsgate
5-7 Cranwood Street
London
EC1V 9EE

Auditors

Jeffreys Henry LLP
Finsgate
5-7 Cranwood Street
London EC1V 9EE

Registrars

Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

SBS GROUP LIMITED

CHAIRMAN'S STATEMENT

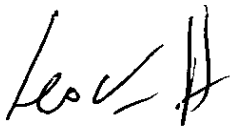
FOR THE YEAR ENDED 10 MARCH 2009

The audited results for the twelve months ended 10 March 2009 showed that your Company incurred a loss, both before and after taxation, of £46,000 (10 March 2008 - loss £13,000).

At present the Company does not conduct business and is a cash shell. We consider that we have adequate resources to satisfy our ongoing liabilities.

As shareholders are aware, we were unable to complete an acquisition within the time limit under AIM Rules and thus our quotation on the London Stock Exchange was suspended, and then cancelled, on 9 April 2007. To avoid the expense complying with the regulations of a Plc, shareholders will be aware that we converted to limited status on 22 April 2009. This will be reversed once a suitable acquisition to re-establish shareholder value has been achieved.

These audited accounts will be sent to the shareholders and will be available from the Company's registered office at Finsgate, 5-7 Cranwood Street, London EC1V 9EE, for a period of 30 days from the date hereof.



LEV Knifton
Director

19 August 2009

SBS GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 10 MARCH 2009

The directors present their report and the financial statements for the year ended 10 March 2009.

Principal activities and Fair Review of the business

The company changed its name to its current style on 22 April 2009.

The Company's principal activity is that of an investment company. The company incurred a loss in the year of £46,000.

Earnings per share on ordinary activities is a loss of 0.4p per share (2008 – 0.1p per share).

Key risks and uncertainties

Whilst your directors realise that there is a minor cash burn after expensing the cost of an abortive acquisition, they appreciate the necessity to conclude a more positive direction for the company.

Future developments

The Company continues to seek a suitable acquisition, which would increase shareholder value.

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors and director's interests

The directors who held office during the year were as follows:

L E V Knifton
W N V Weller
S V Oakes

The Directors have no direct interest in the shares of the Company. Through their ownership of Zerlina Assets Limited they own 1,434,988 shares in the Company.

Substantial Shareholdings

Substantial shareholdings include Directors as at 10 July 2009 were as follows:

	% of shares issued
HSBC Global Custody Nominee (UK) Limited	21.92%
Pershing Nominees Limited	14.17%
Zerlina Assets Limited	13.56%
Atun Select Fund Limited	9.45%
Clachan Nominees Limited	7.49%
Mr Lynton Pereira	7.09%
Shena Castelino	7.09%
Fitel Nominees Limited	3.78%

Creditor Payment Policy

The company policy, in relation to all of its suppliers, is to settle terms of payment when agreeing the terms of the transactions and to abide by those terms. The company does not follow any code or statement on payment policy. Creditor days at the end of the period were 25 days (2008-Nil).

SBS GROUP LIMITED

DIRECTORS' REPORT (*continued*) FOR THE YEAR ENDED 10 MARCH 2009

Financial risk management policies

Financial risk factors and management

The Company's principal financial instruments comprise cash and short-term deposits. The main purpose of these financial instruments is to provide working capital. The Company has various other financial instruments such as trade and other receivables and trade and other payables, which arise directly from its operations.

Interest rate risk

The main risk arising from the Company's financial instruments is changes in interest rates. The Board's policy toward cash deposits is to deposit cash short term interest bearing bank deposit accounts.

Credit risk

The Company's credit risk is primarily attributed to other receivables. The maximum credit risk exposure of the Company comprises the amounts presented in the balance sheet that are stated net of provisions, where appropriate. A provision is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of future cash flows.

Directors' Responsibilities

The directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare financial statements in accordance with the International Financial Reporting Standards as adopted for use in the European Union. The financial statements are required by law to 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 year. 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 financial statements;
- 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.

Statement of disclosure to auditor

The directors confirm that, so far as they are aware, there is no relevant audit information of which the auditors are unaware and that each director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

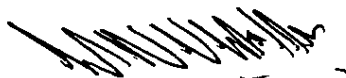
**DIRECTORS' REPORT (*continued*)
FOR THE YEAR ENDED 10 MARCH 2009**

Auditors

A resolution in accordance with Section 485 of the Companies Act 2006 reappointing Jeffreys Henry LLP as auditors is to be proposed at the forthcoming General Meeting.

The report of the directors was approved by the board on 19 August 2009 and signed on its behalf by

W N V Weller
Director

A handwritten signature in black ink, appearing to be 'W N V Weller', written over a horizontal line.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SBS GROUP LIMITED

We have audited the financial statements of SBS Group Limited for the year ended 10 March 2009, which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity and the related notes. 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 for no purpose other than to draw to the attention of the company's members those matters which we are required to state to them in our auditor's 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 company's members as a body 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 the directors' remuneration and transactions with the company is not disclosed.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' report and the Chairman's statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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.

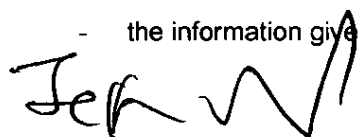
SBS GROUP LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SBS GROUP LIMITED
(CONTINUED)**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with International Financial Reporting Standards (IFRSs) as adopted for use in the European Union, of the state of affairs of the company as at 10 March 2009 and of its loss and its cash flows or 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.



Jeffreys Henry LLP
Chartered Accountants
Registered Auditors

Finsgate
5-7 Cranwood Street
London
EC1V 9EE

Date 19 August 2009

SBS GROUP LIMITED**INCOME STATEMENT****FOR THE YEAR ENDED 10 MARCH 2009**

	Notes	Year ended 10 March 2009 £'000	Year ended 10 March 2008 £'000
Continuing operations			
Revenue		-	-
Administrative expenses		<u>(66)</u>	<u>(40)</u>
Loss from operations		(66)	(40)
Interest receivable and similar income	4	<u>20</u>	<u>27</u>
Loss before tax	6	(46)	(13)
Income tax charges	5	<u>-</u>	<u>-</u>
Loss for the year from continuing operations		<u>(46)</u>	<u>(13)</u>
Loss per share – Basic	15	(0.4)p	(0.1)p

There is no difference between basic and diluted loss per share. All of the loss for the period is attributable to the equity holders of the company.

SBS GROUP LIMITED
BALANCE SHEET
AS AT 10 MARCH 2009

	Notes	As at 10 March 2009 £'000	As at 10 March 2008 £'000
Assets			
<i>Current assets</i>			
Trade and other receivables	7	8	10
Cash and cash equivalents	8	<u>530</u>	<u>529</u>
Total assets		<u>538</u>	<u>539</u>
Equity and liabilities			
<i>Capital and reserves</i>			
Share capital	10	421	421
Share premium account	11	7,019	7,019
Retained earnings	12	<u>(6,956)</u>	<u>(6,910)</u>
Total equity		<u>484</u>	<u>530</u>
<i>Current liabilities</i>			
Trade and other payables	9	<u>54</u>	<u>9</u>
Total equity and liabilities		<u>538</u>	<u>539</u>

These financial statements were approved by the Board of Directors on 19 August 2009 and authorised for issue by:-

W N V Weller

Director



SBS GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 10 MARCH 2009

	As at 10 March 2009 £'000	As at 10 March 2008 £'000
As at 11 March 2008	530	543
Loss for the period	<u>(46)</u>	<u>(13)</u>
As at 10 March 2009	<u>484</u>	<u>530</u>

SBS GROUP LIMITED**CASH FLOW STATEMENT****FOR THE YEAR ENDED 10 MARCH 2009**

	Year ended 10 March 2009 £'000	Year ended 10 March 2008 £'000
Operating activities	<u>(19)</u>	<u>(67)</u>
Investing activities		
Interest received	<u>20</u>	<u>27</u>
Net cash (outflow) / inflow	<u>1</u>	<u>(40)</u>
Cash and cash equivalents at the beginning of the year	<u>529</u>	<u>569</u>
Cash and cash equivalents at the end of the year	<u>530</u>	<u>529</u>

Cash and cash equivalents comprise cash at bank and other short term highly liquid investments with a maturity of three months or less.

SBS GROUP LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 10 MARCH 2009

	Year ended 10 March 2009 £'000	Year ended 10 March 2008 £'000
Operating activities		
Loss for the year	(66)	(40)
Decrease/(increase) in receivables	2	12
(Decrease)/increase in payables	<u>45</u>	<u>(39)</u>
Net cash outflows from operating activities	<u>(19)</u>	<u>(67)</u>

SBS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 10 MARCH 2009

1. General information

SBS Group Limited is a company incorporated in the United Kingdom under the Companies Act 1985. The address of the registered office is Finsgate, 5 – 7 Cranwood Street, London, EC1V 9EE. The nature of the company's operations and its principal activities are described in the Directors' Report.

These financial statements are presented in pounds sterling because it is the currency of the primary economic environment in which the company operates. The financial information has been rounded to the nearest thousand.

2. Significant accounting policies

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs and IFRIC interpretations) issued by the International Accounting Standards Board (IASB), as adopted by the European Union, and as applied in accordance with the provisions of the Companies Act 1985 applicable to companies preparing their accounts under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the accounting policies note.

Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the use of valuations of certain assets. The principal accounting policies adopted are set out below.

The presentation currency is UK sterling, which is also considered the functional currency of the Group.

a) Interpretations effective in 2008

The following IFRSs and amendments have been implemented by the International Accounting Standards Board but none is expected to have a material impact on the results or net assets of the Company.

IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction', provides guidance on assessing the limit in IAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. This interpretation does not have any impact on the Company's financial statements, as the Company does not have any pension liabilities.

IFRIC 11, 'IFRS 2 – Group and treasury share transactions', provides guidance on whether share-based transactions involving treasury shares or involving group entities (for example, options over a parent's shares) should be accounted for as equity-settled or cash-settled share-based payment transactions in the stand-alone accounts of the parent and group companies. These issues are not relevant to these financial statements.

b) Standards and amendments early adopted by the Company

The Company has not early adopted any standards or amendments.

c) Interpretations effective in 2008 but not relevant

SBS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 10 MARCH 2009

2. Significant accounting policies (continued...)

The following interpretation to published standards is mandatory for accounting periods beginning on or after 1 January 2008 but is not relevant to the Company's operations:

- IFRIC 12, 'Service concession arrangements'; and,
 - IFRIC 13, 'Customer loyalty programmes'.
- d) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

The following standards and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 1 January 2009 or later periods, but the Company has not early adopted them:

- IAS 1 (Revised), 'Presentation of financial statements' (effective from 1 January 2009).
 - IAS 39 (Amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2009).
 - There are a number of minor amendments to IFRS 7, 'Financial instruments: Disclosures', IAS 8, 'Accounting policies, changes in accounting estimates and errors', IAS 10, 'Events after the reporting period', IAS 18, 'Revenue' and IAS 34, 'Interim financial reporting'.
- e) Interpretations and amendments to existing standards that are not yet effective and not relevant for the Company's operations

The following interpretations and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 1 January 2009 or later periods but are not relevant for the Company's operations:

- IFRS 1 (Amendment) 'First time adoption of IFRS', and IAS 27 'Consolidated and separate financial statements' (effective from 1 January 2009).
- IFRS 2 (Amendment), 'Share-based payment' (effective from 1 January 2009).
- IFRS 3 (Revised), 'Business combinations' (effective from 1 July 2009).
- IFRS 5 (Amendment), 'Non-current assets held-for-sale and discontinued operations' (and consequential amendments to IFRS 1, 'First-time adoption') (effective from 1 July 2009).
- IFRS 8, 'Operating segments', (effective from 1 January 2009).
- IAS 1 (Amendment), 'Presentation of financial statements' – 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2009).
- IAS 16 (Amendment), 'Property, plant and equipment' (and consequential amendment to IAS 7, 'Statement of cash flows') (effective from 1 January 2009).
- IAS 19 (Amendment), 'Employees benefits' (effective from 1 January 2009).
- IAS 20 (Amendment), 'Accounting for government grants and disclosure of government assistance' (effective from 1 January 2009).
- IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009).
- IAS 27 (Amendment), 'Consolidated and separate financial statements' (effective from 1 January 2009).
- IAS 28 (Amendment), 'Investments in associates' (and consequential amendments to IAS32, 'Financial Instruments: Presentation' and IFRS 7, 'Financial instruments: Disclosures') (effective from 1 January 2009).

SBS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 10 MARCH 2009

2. Significant accounting policies (continued...)

- IAS 29 (Amendment), 'Financial reporting in hyperinflationary economies' (effective from 1 January 2009).
- IAS 31 (Amendment), 'Interest in joint ventures' (and consequential amendments to IAS 32 and IFRS 7) (effective from 1 January 2009).
- IAS 36 (Amendment), 'Impairment of assets' (effective from 1 January 2009).
- f) Interpretations and amendments to existing standards that are not yet effective and not relevant for the Company's operations (continued)
 - IAS 38 (Amendment), 'Intangible assets' (effective from 1 January 2009).
 - IAS 40 (Amendment), 'Investment property' (and consequential amendments to IAS 16) (effective from 1 January 2009).
 - IAS 41 (Amendment), 'Agriculture' (effective from 1 January 2009).
 - IFRIC 13, 'Customer loyalty programmes' (effective from 1 July 2008).
 - IFRIC 15, 'Agreements for construction of real estate' (effective from 1 January 2009).
 - IFRIC 16, 'Hedges of a net investment in a foreign operation' (effective from 1 October 2008).
 - The minor amendments to IAS 20 'Accounting for government grants and disclosure of government assistance', and IAS 20, 'Financial reporting in hyperinflationary economies', IAS 40, 'Investment property', and IAS 41, 'Agriculture'.

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Sales of goods are recognised when goods are delivered and title has passed. Sales of services are recognised when the service has been performed and invoiced.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the same income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are

recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Trade payables

Trade payables are not interest bearing and are stated at their nominal value.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Share Premium represents the excess of the amount subscribed for share capital over the nominal value of these shares net of share issue expenses.

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

Financial Instruments

Financial assets and liabilities are recognised on the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

The Company's financial instruments comprise other debtors, other creditors, cash, and equity shares.

The Company adopts a conservative policy towards the management of its cash and has not engaged in any speculative trades. The Company has no derivative instruments or hedging transactions.

The carrying amounts of financial assets and liabilities of the Company at the balance sheet date approximate their fair values.

SBS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 10 MARCH 2009

3. Risk and Sensitivity Analysis

The Company's activities expose it to a variety of financial risks: interest rate risk, liquidity risk, credit risk, and capital risk. The Company's overall risk management programme focuses on unpredictability and seeks to minimise the potential adverse effect of the Company's financial performance. The board reviews key risks on a regular basis and, where appropriate, actions are taken to mitigate the key risks identified.

a. Interest Rate Risk

The Company does not have any formal policies on interest rate risk. However, the Company's exposure in these areas as at the balance sheet date was minimal.

b. Liquidity Risk

The Company prepares periodic working capital forecasts for the foreseeable future, allowing an assessment of the cash requirements of the Company to manage liquidity risk. The directors have considered the risk posed by liquidity and are satisfied that there is sufficient equity in the Company.

c. Credit Risk

The Company's principal financial assets are bank balances and cash and other receivables.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

d. Capital Risk

The Company's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

4. Investment Income

	Year ended 10 March 2009 £'000	Year ended 10 March 2008 £000
Interest on bank deposits	<u>20</u>	<u>27</u>

SBS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 10 MARCH 2009****5. Income tax expense**

Based on the results, no provision has been made for corporation tax.

The total charge for the year can be reconciled to the accounting profit as follows

	Year ended 10 March 2009 £'000	Year ended 10 March 2008 £'000
Current tax Charge	<u>-</u>	<u>-</u>
Profit/(Loss) before tax Continuing operations	<u>(46)</u>	<u>(13)</u>
Tax at domestic income tax rate of 30% (2008-30%)	(13)	(4)
Factors affecting tax charge:		
Non deductible expenses	-	7
Losses carried forward	(13)	-
Other tax adjustments	<u>-</u>	<u>(3)</u>
Tax expense	<u>-</u>	<u>-</u>

The company has estimated excess management losses of £124,000 (2008 - £120,000) to carry forward against future profits. Deferred tax asset arising from these losses of £24,800 (2008 - £36,000) has not been provided in the accounts due to the uncertainty of recovery.

6. Loss for the year

	Year ended 10 March 2009 £'000	Year ended 10 March 2008 £'000
Loss for the year has been arrived at after charging		
Exceptional Item – Cost of Abortive Acquisition	10	24
Auditors remuneration		
- Audit services	4	4
- Corporate Finance Services	<u>8</u>	<u>-</u>

SBS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 10 MARCH 2009****7. Trade and other receivables**

	As at 10 March 2009 £'000	As at 10 March 2008 £'000
Other debtors	<u>8</u>	<u>10</u>

The directors consider that the carrying amount of other receivables approximates their fair value.

8. Bank balances and cash

Bank balances and cash comprise those held by the Company in short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

9. Trade and other payables

	As at 10 March 2009 £'000	As at 10 March 2008 £'000
Trade creditors	46	-
Other creditors	<u>8</u>	<u>9</u>
	<u>54</u>	<u>9</u>

Trade creditors and accruals principally comprise amounts outstanding for trade purchase and ongoing costs.

The directors consider that the carrying amount of trade payables approximates their fair value.

SBS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 10 MARCH 2009****10. Share capital**

	As at 10 March 2009 £'000	As at 10 March 2008 £'000
Authorised:		
268,471,881 ordinary shares of 1p each	2,685	2,685
643,431 deferred shares of 49p each	<u>315</u>	<u>315</u>
	<u>3,000</u>	<u>3,000</u>
Allotted, called up and fully paid:		
10,584,889 ordinary shares of 1p each	106	106
643,431 deferred shares of 49p each	<u>315</u>	<u>315</u>
	<u>421</u>	<u>421</u>

The deferred shares are non-voting

On 6 October 2005, warrants were issued entitling holders to subscribe for 1,000,000 warrants to subscribe for ordinary shares of 1p at 5p each and a further 1,000,000 warrants to subscribe at 8p per share. The last exercise date for both sets of warrants is 10 October 2012. The number of warrants in issue remained the same at the beginning and end of the year as no new warrants were issued during the year and no warrants were exercised. Under IFRS 2, Share-based payment, the issue of the above warrants did not result in a charge to the company.

11. Share premium account

	As at 10 March 2009 £000
Balance at 11 March 2008 and 10 March 2009	<u>7,019</u>

12. Retained earnings

	As at 10 March 2009 £'000
Balance at 11 March 2008	(6,910)
Loss for the year	<u>(46)</u>
Balance at 10 March 2009	<u>(6,956)</u>

SBS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 10 MARCH 2009****13. Analysis of Change in Net Funds**

	10 March 2008 £'000	Cash Flow £'000	Other Movements £'000	10 March 2009 £'000
Cash at bank and in hand	<u>569</u>	<u>(40)</u>	<u>-</u>	<u>529</u>

14. Control

At the date of the Annual Report, in the Directors' opinion, there is no controlling party.

15. Loss per share

The loss per share is based on the following losses and shares in issue:

	2009	2008
Losses	£46,000	£13,000
Weighted Average Number of shares	10,584,889	10,584,889

16. Employees and Directors

During the period there were no employees other than the directors. The directors' fees for the period were £40,000 (2008: £Nil).

17. Related Party Transactions

The Directors, S.V. Oakes and W.N.V. Weller, are directors of a company that has acted as broker to SBS Group Limited. The Company paid fees of £nil (2008: £833) in respect of brokerage fees to this related entity. There are no fees outstanding as at the year ended (2008: £Nil).

18. Post balance sheet events

To avoid the expense complying with the regulations of a Plc, shareholders will be aware that we converted to Limited status on 22 April 2009. This will be reversed once a suitable acquisition to re-establish shareholder value has been achieved.