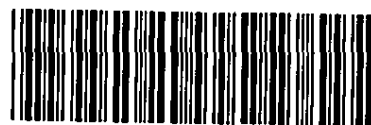

CLINTONS CARDS SERVICES LIMITED

(Registered Number 03269006)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

52 weeks to 29 July 2007

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CLINTONS CARD SERVICES LIMITED

Directors' Report

For the 52 weeks ended 29 July 2007

The Directors present their report and the financial statements of the Company for the 52 week period ended 29 July 2007

Principal activity and review of business

Clintons Card Services Limited (the "Company") is a limited company registered in England

The Company transferred its trade to a fellow subsidiary, Clinton Cards (Essex) Limited on 31 July 2006 and did not trade during the period under review

Directors and their interests

The Directors who served throughout the period were as follows

D J Lewin, OBE
C S Lewin
B R Hartog, FCCA

The Directors had no interests in the share capital of the Company Their interests in the share capital of Clinton Cards PLC, the ultimate holding company, are disclosed in the financial statements of that company.

Statement of Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Company and of the profit or loss for that period

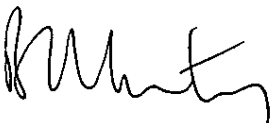
In preparing those financial statements the Directors are required to

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State that the financial statements comply with IFRS
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business

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

The Directors are responsible for keeping proper accounting records that 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

By order of the Board



B. R. Hartog, Secretary
19 October 2007

Registered Office

The Crystal Building
Langston Road
Loughton
Essex
IG10 3TH

Registered in England
Registered No 03269006

CLINTONS CARD SERVICES LIMITED

Income Statement

For the 52 weeks ended 29 July 2007

		52 weeks ended 29 July 2007 £'000	78 weeks ended 30 July 2006 £'000
Continuing operations	Note		
Revenue (excluding VAT)	3	-	2,367
Cost of sales		-	(1,446)
Gross profit		-	921
Administrative expenses		-	(15)
Profit on ordinary activities before taxation		-	906
Taxation		-	-
Profit attributable to equity shareholders	8	-	906

There is no recognised income or expense for the Company other than the profit for the prior period as stated above

CLINTONS CARD SERVICES LIMITED

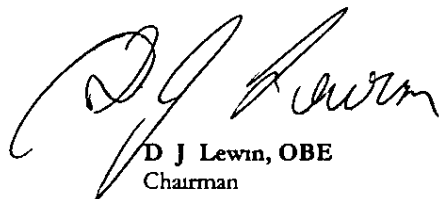
Balance Sheet

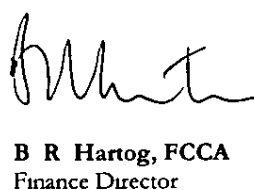
As at 29 July 2007

	Note	As at 29 July 2007 £'000	As at 30 July 2006 £'000
Assets			
Non-current assets			
Investments	4	<u>2,036</u>	<u>2,036</u>
		<u>2,036</u>	<u>2,036</u>
Current assets			
Trade and other receivables	5	<u>2,059</u>	<u>2,059</u>
		<u>2,059</u>	<u>2,059</u>
Total assets		<u>4,095</u>	<u>4,095</u>
Liabilities			
Current liabilities			
Trade and other payables	6	<u>(2,045)</u>	<u>(2,045)</u>
		<u>(2,045)</u>	<u>(2,045)</u>
Total liabilities		<u>(2,045)</u>	<u>(2,045)</u>
Net assets		<u>2,050</u>	<u>2,050</u>
Equity			
Capital and reserves attributable to equity shareholders			
Called up share capital	7	-	-
Profit and loss account	8	<u>2,050</u>	<u>2,050</u>
Total equity	8	<u>2,050</u>	<u>2,050</u>

- (a) For the year ended 29 July 2007 the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985
- (b) Members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985
- (c) The directors acknowledge their responsibility for
- ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985, and
 - preparing accounts 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 its profit or loss for the financial year, in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company

The financial statements on pages 4 to 10 were approved by the Board on 19 October 2007 and signed on its behalf by


D J Lewin, OBE
Chairman


B R Hartog, FCCA
Finance Director

CLINTONS CARD SERVICES LIMITED

Cash Flow Statement

For the 52 weeks ended 29 July 2007

	78 weeks ended 30 July 2006 £'000
Cash flows from operating activities	
Profit attributable to equity shareholders	906
Adjustments for	
Taxation	-
Operating cash flows before movements in working capital	906
Increase in trade and other receivables	(544)
Decrease in trade and other payables	(362)
Cash generated from operations	-
Taxation paid	-
Net cash generated from operating activities	-
Net decrease in cash and cash equivalents	-
Cash and cash equivalents at beginning and close of period	-

CLINTONS CARD SERVICES LIMITED

Notes to the Financial Statements

For the 52 weeks ended 29 July 2007

1 Accounting policies

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union

The Company's financial statements have been prepared in accordance with IFRS adopted by the European Union as they apply to the accounts of the Company for the 52 weeks ended 29 July 2007 applied in accordance with the provisions of the Companies Act 1985. There is no change to the net assets and profits of the Company following the restatement to IFRS

The financial statements have been prepared under the historical cost convention

2 Directors

None of the Directors received any emoluments during the period in respect of their services to the Company (2006 £Nil)

3 Revenue

All revenue arises from provision of services to other Group companies and arises entirely in the United Kingdom

4 Investments

Clintons Card Service Limited owned, throughout the period, 100% of the ordinary share capital of Strand Cards Limited. Strand Cards Limited is a Company incorporated in England whose principle activity is retailing greetings cards. This investment is shown at cost (£2,036,000). The Directors are of the opinion that the value of the Company's investment is not less than the book value.

Consolidated accounts are not prepared as the Company is itself a wholly owned subsidiary of Clinton Cards PLC

5 Trade and other receivables

	2007	2006
	£'000	£'000
Amounts due from related parties (note 9)	<u>2,059</u>	<u>2,059</u>

Amounts due from related parties are unsecured, interest free and repayable on demand.
The Directors consider that the carrying amount of other receivables approximate their fair value.

6 Trade and other payables

	2007	2006
	£'000	£'000
Amounts owed to related parties (note 9)	<u>2,045</u>	<u>2,045</u>

Amounts owed to related parties are unsecured, interest free and repayable on demand.
The Directors consider that the carrying amount of other payables approximate their fair value.

CLINTONS CARD SERVICES LIMITED
Notes to the Financial Statements (continued)

For the 52 weeks ended 29 July 2007

7 Called up share capital

The authorised, allotted and fully paid share capital throughout the period was as follows

	Number	£
Authorised		
Ordinary shares of £1 each	100	100
Issued and fully paid		
Ordinary shares of £1 each	5	5

8 Statement of changes in total equity

	Called up share capital £'000	Profit and loss reserve £'000	Total equity £'000
At 30 January 2005	-	1,144	1,144
Profit for the period	-	906	906
At 30 July 2006 and 29 July 2007	-	2,050	2,050

9 Related Parties

During the period the Company entered into transactions, in the ordinary course of business, with other related parties as follows

	Recharge of costs		Funds advanced/ (borrowed)		Amounts owed to related parties		Amounts owed from related parties	
	52 weeks ending 29 July 2007 £'000	78 weeks ending 30 July 2006 £'000	52 weeks ending 29 July 2007 £'000	78 weeks ending 30 July 2006 £'000	As at 29 July 2007 £'000	As at 30 July 2006 £'000	As at 29 July 2007 £'000	As at 30 July 2006 £'000
Transactions with subsidiary undertakings								
Clinton Cards (I Essex) Ltd	-	(15)	-	559	-	-	-	2,059
GSG (Holdings) Ltd	-	-	-	-	-	(2,045)	-	-

10 Ultimate parent undertaking and controlling party

The Company is wholly owned by MacNoll Limited, a company registered in England. Clinton Cards PLC is the ultimate parent and controlling party and prepares consolidated accounts which include the accounts of the Company

Copies of the Group accounts of Clinton Cards PLC may be obtained from the Company Secretary at the registered office

The Crystal Building
Langston Road
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Essex
IG10 3TH