

**Linklaters Blue Flag Limited**  
**Accounts for the year ended 30 April 2004**  
**Company Number: 3720591**



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<b>Directors</b>	A L Angel J W A Cann S N Firth P M Nelson (resigned 02/12/2003) C Forbes-Cockell
<b>Secretary</b>	Hackwood Secretaries Limited
<b>Registered Office</b>	One Silk Street London EC2Y 8HQ
<b>Auditors</b>	Deloitte & Touche LLP Chartered Accountants London

**1 Accounts**

The Directors present the audited financial statements of Linklaters Blue Flag Limited (the "Company") for the year ended 30 April 2004.

**2 Activities and results**

The principal activity of the Company is the trade of electronic legal services. The profit for the year after taxation amounted to nil, (2003: loss of £27).

**3 Directors**

The present membership of the Board is set out on page 2. All Directors served throughout the year with the exception of PM Nelson who resigned on 2 December 2003.

The Directors did not have any interests in the share capital of the Company during the year. The Directors of the Company were also partners in Linklaters (the "Firm") and interested as such in an agreement between the Company and the Firm dated 23 July 1999.

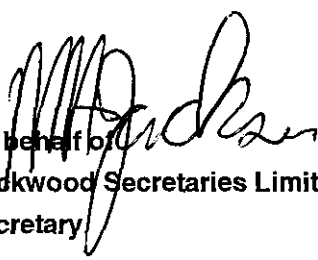
**4 Small company**

This report has been prepared in accordance with the special provisions relating to small companies under S246 Companies Act 1985.

**5 Auditors**

The Company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Deloitte & Touche LLP shall be deemed to be reappointed as auditors for a further term under the provisions of section 386 (2) of the Companies Act 1985.

By order of the Board

  
on behalf of  
Hackwood Secretaries Limited  
Secretary

1<sup>st</sup> November 2004  
DECEMBER



## Statement of directors' responsibilities

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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 enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Independent auditors' report to the members of Linklaters Blue Flag Limited**

We have audited the financial statements of Linklaters Blue Flag Limited for the year ended 30 April 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 10. 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**

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 United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

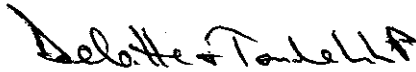
### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards 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 circumstances of the company, 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 of the state of the company's affairs as at 30 April 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Deloitte & Touche LLP**  
**Chartered Accountants and Registered Auditors**  
**London**

**14 December 2004**

## Profit and loss account

<i>Note</i>		<b>2004</b> £	<b>2003</b> £
1	Turnover	-	-
2	Net operating expenses	<u>-</u>	<u>(29)</u>
	<b>Loss on ordinary activities before taxation</b>	-	(29)
4	Tax credit on loss on ordinary activities	-	2
7	<b>Retained loss for the financial year</b>	<u>-</u>	<u>(27)</u>

All activities are derived from continuing operations.

There are no recognised gains or losses, nor movements in shareholders' funds, for the current and preceding year other than as stated in the profit and loss account.

There was no turnover during the current and preceding year.



# Balance sheet

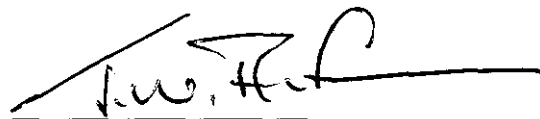
Note

		2004 £	2003 £
	<b>Current assets</b>		
5	Debtors	1,122	1,122
	Cash at bank and in hand	100	100
	<b>Current liabilities</b>		
	Creditors: amounts falling due within one year	-	-
	<b>Net current assets</b>	<u>1,222</u>	<u>1,222</u>
	<b>Share capital and reserves</b>		
6	Called up share capital	1	1
7	Profit and loss account	<u>1,221</u>	<u>1,221</u>
	<b>Equity shareholders' funds</b>	<u>1,222</u>	<u>1,222</u>

The balance sheet has been prepared in accordance with the provisions relating to small companies under S246 Companies Act 1985. The financial statements were approved by the Board of Directors on 1 November 2004.

DECEMBER

TWHL



J W A Cann

Director

**1 Statement of accounting policies**

The financial statements are prepared in accordance with accounting standards applicable in the United Kingdom. The particular accounting policies adopted are described below.

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

**2 Net operating expenses**

	2004 £	2003 £
Bank charges and interest	<u>-</u>	<u>29</u>

The audit fee was borne by Linklaters in both the current and preceding years.

**3 Directors' remuneration and employee costs**

The Directors did not receive any remuneration during the year in respect of services provided to the Company (2003 – £nil). The Company had no employees during the year (2003 – nil).

**4 Tax credit on loss on ordinary activities**

	2004 £	2003 £
United Kingdom corporation tax credit at 30%	-	-
Prior year adjustment	<u>-</u>	<u>2</u>
	<u>-</u>	<u>2</u>

**5 Debtors**

	2004 £	2003 £
<i>Amounts due from Linklaters</i>	1,109	1,109
Corporation tax	12	12
Called up share capital not paid	<u>1</u>	<u>1</u>
	<u>1,122</u>	<u>1,122</u>

**6 Share capital**

	2004 £	2003 £
Authorised: 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Called up, issued and not fully paid: 1 ordinary share of £1	<u>1</u>	<u>1</u>

**7 Profit and loss account**

	2004 £	2003 £
At beginning of year	1,221	1,248
Retained loss for the year	<u>-</u>	<u>(27)</u>
At end of year	<u>1,221</u>	<u>1,221</u>

**8 Cash flow statement**

The Company is exempt from the requirements of FRS 1.

**9 Related party transactions**

During the year Linklaters did not provide any services to the Company (2003: nil). The £1,109 due from Linklaters is outstanding from the prior year (2003: £1,109). There were no other related party transactions during the current year.

**10 Ultimate controlling party**

The Directors consider that the ultimate controlling party is Linklaters, a partnership registered in England and Wales and formed in Great Britain. The smallest and largest group into which the results are consolidated is Linklaters. Consolidated accounts are not available.