

Company Registration Number 3913139

Odyssey Venture Partners Limited

**Financial Statements
for the year ended
30 June 2007**

MONDAY



ALB1JWQC

A18

28/01/2008

79

COMPANIES HOUSE

Odyssey Venture Partners Limited
Directors' Report
for the year ended 30 June 2007

The directors present their report and the audited financial statements of the company for the year ended 30 June 2007

Principal activities

The principal activity of the company is that of an investment holding company

Review of the business and future developments

The directors expect the company to continue in operation as an investment holding company

The profit and loss account for the year is set out on page 5

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of the Pacific Investments II group, which include those of the company, are discussed within the "Principal risks and uncertainties" paragraph in the directors' report in the consolidated financial statements of Pacific Investments II Limited, which do not form part of this report

Key performance indicators ("KPIs")

Given the straight forward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

Dividends

The directors do not recommend the payment of a dividend (2006 £nil)

Liquidity and interest rate risk

The company has access to funding from its parent company which constitutes long term funding and in respect of which, repayment will not be demanded in the foreseeable future. This is sufficient for current and planned future operations. Interest rate exposure is not considered a risk given the size of the company's operations and the nature of its interest bearing assets and liabilities. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Directors and their interests

The directors of the company at 30 June 2007, all of whom have been directors for the whole of the year ended, unless stated otherwise, are listed below

JL Beckwith

SA Holder

SD Roberts (appointed 13 February 2007)

SA Holder is Company Secretary

The directors do not hold any direct interest in the share capital of the company

The interests of JL Beckwith and SA Holder in Pacific Investments II Limited and its subsidiaries and associates are disclosed in the financial statements of that company

Odyssey Venture Partners Limited
Directors' Report (continued)
for the year ended 30 June 2007

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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 and of the profit or loss of the company for that period

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,
- 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

In so far as the directors are aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The directors are responsible for keeping proper accounting records that 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. 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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Annual general meetings & auditors

Through elective resolutions the company has dispensed with the holding of annual general meetings, the laying of financial statements before annual general meetings and the appointment of auditors annually

By Order of the Board



SA Holder
Company Secretary
124 Sloane Street
London SW1X 9BW

22 January 2008

Report of the Independent Auditors to the Members of Odyssey Venture Partners Limited

We have audited the financial statements of Odyssey Venture Partners Limited for the year ended 30 June 2007 which comprise the profit and loss account, the balance sheet 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 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

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 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 other transactions is not disclosed.

We read the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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.

**Report of the Independent Auditors to the Members of
Odyssey Venture Partners Limited (continued)**

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 as at 30 June 2007 and of its loss for the year then ended,
- 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 for the year ended 30 June 2007

Grant Thornton UK LLP

Grant Thornton UK LLP
Registered Auditors
Chartered Accountants
London

22 January 2008

Odyssey Venture Partners Limited

**Profit and Loss Account
for the year ended 30 June 2007**

	Note	2007 £	2006 £
Other Income		17,178	16,700
Gross profit		<u>17,178</u>	<u>16,700</u>
Administrative expenses		(16,539)	(148,592)
Operating profit / (loss)	2	<u>639</u>	<u>(131,892)</u>
Amounts written back/(off) investments		-	(10,492)
(Loss)/profit on sale of fixed asset investments		-	46,187
Interest payable and similar charges	4	(79,964)	(193,357)
Loss on ordinary activities before taxation		<u>(79,325)</u>	<u>(289,554)</u>
Taxation	5	-	94,633
Loss for the year		<u><u>(79,325)</u></u>	<u><u>(194,921)</u></u>

The operating profit derives wholly from continuing operations

There are no recognised gains or losses other than the result for the year as shown above

The notes on pages 7 to 11 form an integral part of these financial statements

Odyssey Venture Partners Limited

**Balance Sheet
as at 30 June 2007**

	Note	2007 £	2006 £
FIXED ASSETS			
Investments	6	<u>18,126</u>	<u>18,126</u>
CURRENT ASSETS			
Debtors (amounts falling due within one year)	7	<u>-</u>	<u>199,333</u>
		-	199,333
CREDITORS (amounts falling due within one year)	8	-	(3,416,956)
NET CURRENT LIABILITIES		-	(3,217,623)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>18,126</u>	<u>(3,199,497)</u>
CREDITORS (amounts falling due after more than one year)	9	(16,940,654)	(13,643,706)
NET LIABILITIES		<u>(16,922,528)</u>	<u>(16,843,203)</u>
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Profit and loss account	11	(16,922,530)	(16,843,205)
SHAREHOLDER'S DEFICIT	12	<u>(16,922,528)</u>	<u>(16,843,203)</u>

The financial statements were approved by the Board of Directors on
and signed on their behalf by

22 January 2008

JL Beckwith
Director

The notes on pages 7 to 11 form an integral part of these financial statements

Odyssey Venture Partners Limited

Notes to the Financial Statements for the year ended 30 June 2007

1 Principal accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards

The company is a subsidiary of the Pacific Investments II Limited group of companies and is included in the consolidated financial statements of Pacific Investments II Limited, which are publicly available. The company is therefore exempt from preparing its own consolidated financial statements. The financial statements therefore present information about the company as an individual undertaking and not about its group. Over 90% of the voting rights are controlled within the group and consequently the company is exempt under the terms of FRS1 from preparing a cash flow statement. The company is also exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the Pacific Investments II Limited group of companies or investees of that group.

The principal accounting policies are set out below and these have not changed from the prior year.

Going concern

These financial statements have been prepared on a going concern basis which assumes the continued support of the parent company and group undertakings. The directors have received a letter from the parent, Pacific Investments PLC, confirming their support for a period of at least 12 months from the date of approval of the financial statements.

Investments

Investments are stated at cost, less provision for permanent diminution in value.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the financial year end rates and any differences arising on consolidation are taken to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed, at the balance sheet date that may give rise to an obligation 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.

Deferred tax assets are recognised only to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2 Operating profit/(loss)

The operating profit/(loss) is stated after charging

	2007 £	2006 £
Amounts due from other group subsidiaries written off	-	8,723
Auditor's remuneration - Audit services	4,500	1,000

The Company has met the audit fees of its subsidiaries.

Odyssey Venture Partners Limited

Notes to the Financial Statements for the year ended 30 June 2007 (Continued)

3 Staff costs

The company employed no staff during the year (2006 nil) and no emoluments were paid to directors (2006 £nil)

4 Interest payable and similar charges

	2007 £	2006 £
Bank loans	<u>79,964</u>	<u>193,357</u>

5 Taxation

	2007 £	2006 £
UK corporation tax @ 30%	<u>-</u>	<u>(94,633)</u>

5.1 Reconciliation of tax credit

	2007 £	2006 £
Loss on ordinary activities before taxation	<u>(79,325)</u>	<u>(289,554)</u>
Tax credit on ordinary activities before taxation at 30%	(23,797)	(86,866)
Expenses not tax deductible for tax purposes	-	2,941
Movement in provisions	-	(10,708)
Group relief surrendered without payment	23,797	94,633
	<u>-</u>	<u>-</u>

5.2 Deferred tax asset

	2007 £	2006 £
	Unrecognised	Unrecognised
Provisions against fixed asset investments	<u>155,428</u>	<u>185,428</u>

No significant factors affecting future tax rates are anticipated

Odyssey Venture Partners Limited

Notes to the Financial Statements for the year ended 30 June 2007 (Continued)

6 Investment in subsidiaries

Shares
£

Cost

At 30 June 2006 and June 2007 443,003

Provision for permanent diminution in value

At 30 June 2006 and June 2007 (443,003)

Net book value

At 30 June 2006 and June 2007 -

The company has one direct subsidiary, details of which are as follows

Name of undertaking	% interest	% voting	Holding	Nature of business	Place of Incorporation
OVP 4 Limited	100%	100%	Ordinary	Holding Company	England and Wales

6.1 Other investments

£

Cost

At 30 June 2006 193,214

Disposal (100,000)

Cost at 30 June 2007 93,214

Provision for permanent diminution in value

At 30 June 2006 (175,088)

Reduction due to disposal of the underlying asset 100,000

Provision at 30 June 2006 (75,088)

Net Book Value at 30 June 2007 18,126

Net Book Value at 30 June 2006 18,126

The company's other investments comprise unlisted investments in the UK and overseas

Odyssey Venture Partners Limited

Notes to the Financial Statements for the year ended 30 June 2007 (Continued)

7 Debtors (amounts falling due within one year)

	2007 £	2006 £
Prepayments	-	88,000
Corporation tax recoverable	-	94,633
Amounts due from other group subsidiaries	-	16,700
	<u>-</u>	<u>199,333</u>

8 Creditors (amounts falling due within one year)

	2007 £	2006 £
Bank loans and overdrafts	-	3,368,574
Accruals and deferred income	-	48,382
	<u>-</u>	<u>3,416,956</u>

9 Creditors (amounts falling due after one year)

	2007 £	2006 £
Amounts due to holding company	5,969,155	2,744,646
Amounts due to group undertakings	10,971,499	10,899,060
	<u>16,940,654</u>	<u>13,643,706</u>

The loans from Pacific Investments PLC (parent company), River & Mercantile PLC and Pacific Leisure, Entertainment & Media Limited (group undertaking) are viewed as long term in nature with no fixed date of repayment. All companies have confirmed that they will not seek repayment of their loans for a period of 12 months from the date of approval of these financial statements.

10 Share capital

At 30 June 2007 and 2006, the authorised and issued share capital of the company comprised

	£
Authorised	
1,000 Ordinary shares of £1 each	<u>1,000</u>
Issued and fully paid	
2 Ordinary shares of £1 each	<u>2</u>

Odyssey Venture Partners Limited

Notes to the Financial Statements for the year ended 30 June 2007 (Continued)

11 Profit and loss account

	£
Balance at 30 June 2006	(16,843,205)
Loss for the year	(79,325)
Balance at 30 June 2007	<u>(16,922,530)</u>

12 Reconciliation of movement in shareholder's deficit

	£
Shareholder's deficit at 30 June 2006	(16,843,203)
Deficit for the year	(79,325)
Shareholder's deficit at 30 June 2007	<u>(16,922,528)</u>

13 Capital commitments and contingencies

The company provides a corporate cross-guarantee to the Bank of Scotland on bank loans and overdrafts incurred by Pacific Investments PLC, Pacific Leisure, Entertainment & Media Limited, The General Property Investment Company Limited, River & Mercantile PLC, River & Mercantile Holdings Limited, Odyssey Venture Partners Limited and Education First and Foremost Limited. As security, the bank holds a debenture comprising fixed and floating charges over the assets of the company. As at 30 June 2007, total borrowings against which this cross-guarantee applied were £5.8 million (2006: £17.7 million).

14 Parent company, ultimate parent company and ultimate controlling party

At 30 June 2007 the company's immediate parent company was Pacific Investments PLC, a company registered in England and Wales.

The company's ultimate parent company was Pacific Investments II Limited, a company registered in England and Wales, which was the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Pacific Investments II Limited's consolidated financial statements can be obtained from Companies House.

In the opinion of the directors, the ultimate controlling party of the company was JL Beckwith, a director and majority shareholder of the ultimate parent company.