

**Company No. 3973956**

**ALPHAMERIC SERVICES (HOLDINGS) LIMITED  
REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 30 NOVEMBER 2006**



**ALPHAMERIC SERVICES (HOLDINGS) LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

The Directors present their report and the financial statements of the Company for the year ended 30 November 2006

**PRINCIPAL ACTIVITIES**

Alphameric Services (Holdings) Limited is an intermediate holding company

**RESULTS AND DIVIDENDS**

The income statement is on page 5. The Directors do not recommend the payment of a dividend (2005 £nil)

**DIRECTORS**

The Directors of the Company at 30 November 2006, all of whom have been Directors for the whole of the year then ended, are listed below

M G McLaren  
A W Morcombe  
M K Randall

**DIRECTORS' INTERESTS**

No Director had any interest in the shares of the Company at any time during the year

Messrs McLaren, Morcombe and Randall are Directors of the Company's ultimate Parent Company, Alphameric plc, and details of their interests in the share capital of Alphameric plc can be found in that Company's annual report

**FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company is exempt from disclosing financial risk management objectives and policies on the basis that it meets the size criteria for a small company

**AUDITORS**

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985

**By Order of the Board**



**M G McLaren**  
Director

7 Feb 2007

**ALPHAMERIC SERVICES (HOLDINGS) LIMITED  
STATEMENT OF DIRECTORS' RESPONSIBILITIES  
FOR THE YEAR ENDED 30 NOVEMBER 2006**

The Directors are responsible for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards as adopted by the European Union

Company law in the United Kingdom 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 appropriate accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- follow applicable accounting standards, 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 maintaining proper accounting records, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for the preparation of the Directors' report and other information in the annual report

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

## **REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ALPHAMERIC SERVICES (HOLDINGS) LIMITED**

We have audited the financial statements of Alphameric Services (Holdings) Limited for the year ended 30 November 2006 which comprise the principal accounting policies, the income statement, the balance sheet, the statement of changes in members' equity and notes 1 to 9. 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 International Financial Reporting Standards (IFRS) as adopted by the European Union 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, whether the financial statements are properly prepared in accordance with the Companies Act 1985 and Article 4 of the IAS Regulation and whether 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 Directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **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 judgments 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.

### **Opinion**

In our opinion


- the financial statements give a true and fair view, in accordance with IFRS as adopted by the European Union, of the state of the Company's affairs as at 30 November 2006 and its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and Article 4 of the IAS Regulation, and
- the information given in the Directors' Report is consistent with the financial statements for the year ended 30 November 2006.

The Company in addition to complying with its legal obligation to comply with IFRS as adopted by the European Union, has also complied with the IFRS as issued by the International Accounting Standards Board.

In our opinion the financial statements give a true and fair view, in accordance with IFRS, of the state of the Company's affairs as at 30 November 2006 and of its loss for the year then ended.



**GRANT THORNTON UK LLP  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
MANCHESTER**

 2007

**ALPHAMERIC SERVICES (HOLDINGS) LIMITED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

	<b>Note</b>	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
Interest expense	3	(400)	(400)
<b>Loss on ordinary activities</b>		<u>(400)</u>	<u>(400)</u>
Tax credit	4	120	-
<b>Loss for the financial year</b>		<u>(280)</u>	<u>(400)</u>

All activities are deemed to be continuing

The company has no recognised gains and losses other than the loss reported above  
Consequently no separate statement of total recognised gains and losses has been  
prepared

There is no difference between the loss on ordinary activities before taxation and the  
loss for the financial year stated above, and the historical cost equivalent

**ALPHAMERIC SERVICES (HOLDINGS) LIMITED**  
**BALANCE SHEET**  
**AT 30 NOVEMBER 2006**

	Note	2006 £'000	2005 £'000
<b>Current assets</b>			
Income tax recoverable	4	<u>120</u>	<u>-</u>
<b>Current liabilities</b>			
Amounts owed to group undertakings	5	<u>(2,075)</u>	<u>(1,675)</u>
<b>Net current liabilities</b>		(1,955)	(1,675)
<b>Non current liabilities</b>			
Amounts owed to group undertakings	5	<u>(5,000)</u>	<u>(5,000)</u>
<b>Net Liabilities</b>		<u>(6,955)</u>	<u>(6,675)</u>
<b>Equity</b>			
Share Capital	6	-	-
Profit and loss account		<u>(6,955)</u>	<u>(6,675)</u>
<b>Total equity</b>		<u>(6,955)</u>	<u>(6,675)</u>

Approved by the Board of Directors on  
its behalf by

7 Feb

2007 and were signed on



M G McLaren  
Director

**ALPHAMERIC SERVICES (HOLDINGS) LIMITED****STATEMENT OF CHANGES IN EQUITY**

	Share capital £'000	Profit and loss account £'000	Total £'000
<b>At 1 December 2004</b>	-	<b>(6,275)</b>	<b>(6,275)</b>
Loss for the year	-	(400)	(400)
<b>At 30 November 2005</b>	-	<b>(6,675)</b>	<b>(6,675)</b>
Loss for the year	-	(280)	(280)
<b>At 30 November 2006</b>	-	<b>(6,955)</b>	<b>(6,955)</b>



**ALPHAMERIC SERVICES (HOLDINGS) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

**1 ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied consistently in dealing with items that are considered material to the Company's financial statements.

**BASIS OF PREPARATION**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and IFRS as issued by the International Accounting Standards Board and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of property, plant and equipment.

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.

The following accounting standards and IFRIC pronouncements are not yet effective and have not been early adopted by the Company:

IFRS 7 "Financial Instruments: Disclosure"

IFRS 8 "Operating Segments"

IFRIC 8 "Scope of IFRS 2"

IFRIC 10 "Interim Financial Reporting and Impairment"

IFRIC 11 "IFRS 2 Group and Treasury Share Transactions"

IFRIC 12 "Service Concession Arrangements"

IFRS 8, IFRIC 8, IFRIC 10, IFRIC 11 and IFRIC 12 are not expected to have any impact on the group financial statements.

IFRS 7 will result in additional disclosure in respect of overdue receivable balances.

**FIRST TIME APPLICATION OF IFRS**

IFRS 1 "First time adoption of IFRS" sets out the procedures that the Company must follow when it adopts IFRS for the first time as the basis for preparing its financial statements.

The Company has established its IFRS accounting policies as at 30 November 2006, and has applied these retrospectively to determine the IFRS opening balance sheet at its date of transition, 1 December 2004. This standard provides a number of optional and mandatory exemptions to this general principle. The most significant of these are set out below, together with a description in each case of the exemption adopted by the Company.

**ALPHAMERIC SERVICES (HOLDINGS) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

**1 ACCOUNTING POLICIES (continued)**

**FINANCIAL LIABILITIES**

The Company's financial liabilities comprise trade and other payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instruments.

**TRADE AND OTHER PAYABLES**

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

**CASH FLOW**

The Company did not incur any cash transactions in the year and therefore no cash flow statement has been prepared. Interest charged to the income statement and dividends receivable and payable were settled via inter-company accounts and not therefore for cash.

**DEFERRED TAXATION**

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date. Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited to equity (such as the revaluation of land) in which case the related deferred tax is also charged or credited directly to equity.

**2 DIRECTORS' EMOLUMENTS, EMPLOYEES AND AUDITORS**

No Director received any remuneration during the period (2005: £nil). The Company had no employees during the year (2005: nil). The Auditors' remuneration for the year and the previous year was borne by the ultimate parent company.

**ALPHAMERIC SERVICES (HOLDINGS) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

**3. INTEREST EXPENSE**

	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
Interest payable on intercompany loans	400	400

**4. INCOME TAX CREDIT**

	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
Loss for the year before tax	(400)	(400)
Expected tax charge based on tax rate at 30%	(120)	(120)
Group relief not paid for	-	120
<b>Actual tax credit</b>	<b>(120)</b>	<b>-</b>

Comprising		
Current tax group relief	(120)	-

**5. CURRENT AND NON CURRENT LIABILITIES**

	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
<b>Amounts owed to group undertakings:</b>		
Amounts due in less than one year	2,075	1,675
Amounts due after one year	5,000	5,000

**6. SHARE CAPITAL**

	<b>2006</b> <b>£</b>	<b>2005</b> <b>£</b>
Authorised 1,000 ordinary shares of £1 each	1,000	1,000
Called up, allotted and fully paid 1 ordinary share of £1 each	1	1

**ALPHAMERIC SERVICES (HOLDINGS) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

**7. IFRS RECONCILIATION**

There have been no differences between the Company's financial statements prepared under UK GAAP and IFRS since 1 December 2004, hence no reconciliations are required

**8. RELATED PARTY DISCLOSURES**

Amounts owed by the Company to other Alphameric Group undertakings are shown in note 5. During the year ended 30 November 2006 the Company was charged interest totalling £400,000 by Alphameric plc (2005: £400,000). All of these transactions and the year end balance sheet amounts arising from these transactions were conducted on an arms length basis and on normal commercial terms.

**9. ULTIMATE PARENT COMPANY**

The controlling party and ultimate Parent Company is Alphameric plc, a company incorporated in Great Britain and registered in England and Wales. Copies of the Alphameric plc consolidated Group financial statements may be obtained from Alphameric plc, Friary House, Station Road, Godalming, Surrey GU7 1EX.