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GTI Online Solutions Limited

Report and Financial Statements

30 April 2007

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GTI Online Solutions Limited

Registered No 3977847

Directors

A S Wood
M R Blythe
M Halliday
P Sissons

Secretaries

A S Wood
M Halliday

Auditors

Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast
BT2 7DT

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Solicitors

Travers Smith
10 Snow Hill
London
EC1A 2AL

Registered Office

Unit 1, Crowmarsh Battle Barns
Preston Crowmarsh
Wallingford
Oxfordshire
OX10 6SL

Directors' report

The directors present their report and financial statements for the year ended 30 April 2007

Principal activities

The principal activity of the company in the year under review was the provision of computer database software

Results and dividends

The profit for the year after taxation amounted to £256,417. The company has not paid and does not propose to pay any dividends for the year ended 30 April 2007.

During the year the company was acquired by Target (GTI) Holdings Limited

Directors

The directors of the company are listed on page 1. M Halliday was appointed as director and secretary on 18 October 2006. P Sissons was appointed as director on 26 April 2007.

Disclosure of information to auditors


So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the board

Director



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Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and 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 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, subject to any material departures disclosed and explained in the financial statements, 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 confirm that the financial statements comply with the above requirements

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

Independent auditors' report

to the members of GTI Online Solutions Limited

We have audited the company's financial statements for the year ended 30 April 2007, which comprise the Profit and Loss Account, Balance Sheet, and the related notes 1 to 15. These financial statements have been prepared on the basis of 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 are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as 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 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 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

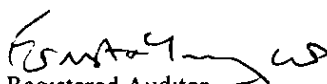
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 April 2007 and of its profit for 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.


Registered Auditor
Belfast

12 September 2007

Profit and loss account

For the year ended 30 April 2007

	<i>Note</i>	<i>2007</i> £	<i>2006</i> £
Turnover	2	1,629,759	1,327,781
Cost of sales		(28,972)	(17,178)
Gross profit		1,600,787	1,310,603
Administrative expenses		(1,251,535)	(800,305)
Operating profit	4	349,252	510,298
Interest receivable and similar income		17,530	23,166
Profit on ordinary activities before taxation		366,782	533,464
Tax on profit on ordinary activities	6	(110,365)	(161,306)
Profit for the financial year		256,417	372,158

Statement of total recognised gains and losses

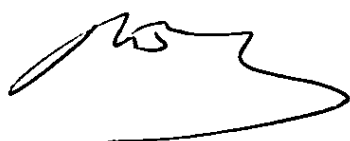
for the year ended 30 April 2007

There are no recognised gains and losses other than the profit attributable to shareholders of the company of £256,417 in the year ended 30 April 2007 (2006 - £372,158)

Balance sheet

At 30 April 2007

	Notes	2007 £	2006 £
Fixed assets			
Tangible assets	7	59,043	28,818
Current assets			
Debtors	8	930,933	585,625
Cash at bank		611,518	811,287
		1,542,451	1,396,912
Creditors Amounts falling due within one year	9	351,084	434,987
Net current assets		1,191,367	961,925
Total assets less current liabilities		1,250,410	990,743
Deferred taxation	10	4,145	895
Net assets		1,246,265	989,848
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	1,246,263	989,846
Equity shareholders' funds	12	1,246,265	989,848

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Notes to the financial statements

At 30 April 2007

1. Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Furniture fittings and equipment	-	15% on reducing balance
Computer equipment	-	Straight line over 3 years

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Deferred tax

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date. The timing differences arise from the different treatment for financial statements and tax purposes of transactions and events recognised in the financial statements of the current year and previous years. Deferred tax is not provided in respect of timing differences arising from the sale of fixed assets unless, by the balance sheet date, a binding commitment to sell the asset has been entered into and it is unlikely that any gain will be rolled over.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward currency contract.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Notes to the financial statements

At 30 April 2007

2. Turnover

Turnover, which arises from the continuing principal activity of the provision of computer database software, comprises the invoice value of goods and services supplied by the company exclusive of value added tax. All turnover is generated in the United Kingdom.

3. Staff costs

	2007 £	2006 £
Wages and salaries	683,384	464,504
Social security costs	74,110	51,737
Other pension costs	17,055	13,340
	<u>774,549</u>	<u>529,581</u>

The average monthly number of employees during the year was as follows

	2007 No	2006 No
Managers	2	-
Staff	14	12
	<u>16</u>	<u>12</u>

4. Operating profit

	2007 £	2006 £
Depreciation – owned assets	12,858	13,504
Pension costs	17,055	13,339
	<u></u>	<u></u>

5. Remuneration of directors

No emoluments were paid by the company to the directors. Directors' remuneration of £538,652 was paid to the company's directors by other Target (GTI) Holdings Limited undertakings. The directors do not believe that it is practical to apportion the emoluments between their services as directors of the company and their services as directors of other Target (GTI) Holdings Limited undertakings.

Notes to the financial statements

At 30 April 2007

6. Taxation

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2007	2006
	£	£
Current tax		
UK corporation tax	107,923	161,000
Adjustments in respect of prior years	(808)	-
Tax on profit on ordinary activities	107,115	161,000
Total current tax	107,115	161,000
Deferred taxation		
Increase/(decrease) in provision	3,611	264
Adjustments in respect of previous periods	(360)	42
Tax on profit on ordinary activities	110,365	161,306

UK corporation tax was charged at 30% in 2007

Factors affecting the tax charge

The tax assessed for the year varies from the standard rate of corporation tax in the UK. The differences are explained below

	2007	2006
	£	£
Profit on ordinary activities before tax	366,782	533,464
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 – 30%)	110,035	160,039
Effects of		
Disallowed expenses and non-taxable income	1,500	1,225
Accelerated capital allowances	(3,250)	-
Difference between depreciation and capital allowances	(361)	(264)
Adjustments in respect of previous periods	(808)	-
Current tax charge	107,115	161,000

Notes to the financial statements

At 30 April 2007

7. Tangible fixed assets

	<i>Fixtures and fittings £</i>	<i>Computer equipment £</i>	<i>Total £</i>
Cost			
At 30 April 2006	3,557	97,346	100,903
Additions	2,150	40,933	43,083
At 30 April 2007	5,707	138,279	143,986
Depreciation			
At 30 April 2006	1,957	70,128	72,085
Charge for the year	240	12,618	12,858
At 30 April 2007	2,197	82,746	84,943
Net book value			
At 30 April 2007	3,510	55,533	59,043
At 30 April 2006	1,600	27,218	28,818

8. Debtors: amounts falling due within one year

	<i>2007 £</i>	<i>2006 £</i>
Trade debtors	328,414	535,625
Prepayments and accrued income	17,088	16,493
Corporation tax recoverable	23,160	-
Amounts due from group undertakings	562,271	33,507
	930,933	585,625

9. Creditors: amounts falling due within one year

	<i>2007 £</i>	<i>2006 £</i>
Trade creditors	15,021	8,941
Other creditors	35,000	25,294
Social security and other taxes	39,167	81,294
Taxation	-	161,000
Accruals and deferred income	261,897	158,458
	351,084	434,987

Notes to the financial statements

At 30 April 2007

10. Provisions for liabilities and charges

	2007 £	2006 £
Deferred taxation – accelerated capital allowances	4,145	895

	Deferred tax £
Balance at 1 May 2006	895
Charge for the year	3,250
Balance at 30 April 2007	4,145

11. Called up share capital

Authorised Number	Class	Nominal value	2007 £	2006 £
1,000	Ordinary	£1	1,000	1,000

Allotted, called up and fully paid Number	Class	Nominal value	2007 £	2006 £
2	Ordinary	£1	2	2

12. Reconciliation of shareholders' funds and movements on reserves

	Share Capital £	Profit and loss account £	Total £
At 30 April 2006	2	989,846	989,848
Profit for the year	-	256,417	256,417
At 30 April 2007	2	1,246,263	1,246,265

Notes to the financial statements

At 30 April 2007

13. Pension commitments

The company operates a defined contribution pension scheme. Contributions during the year amounted to £17,055 (2006 - £13,339).

14. Related party disclosures

The company has availed of the exemption granted by paragraph 3(c) of Financial Reporting Standard No 8 "Related Party Disclosures" not to disclose related party transactions with its ultimate parent company and fellow subsidiary undertakings as the company's results are included in the consolidated financial statements for the ultimate parent company.

15. Ultimate parent undertaking and controlling party

The ultimate parent undertaking and controlling party of the company is Target (GTI) Holdings Limited, a company incorporated in England.

Target (GTI) Holdings Limited is the parent undertaking of the largest and smallest group for which consolidated financial statements are prepared that include the company. Copies of the consolidated financial statements can be obtained from the registered office of Target (GTI) Holdings Limited, Unit 1, Crowmarsh Battle Barns, Preston Crowmarsh, Wallingford, Oxfordshire, OX10 6SL.