

Weichert Relocation UK Limited

Report and Accounts
December 31, 2006

Davison and Shingleton
Chartered Accountants

TUESDAY



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23/10/2007
COMPANIES HOUSE

WEICHERT RELOCATION UK LIMITEDDirectors

A Minnetian
J Stuff

Secretary

T J G Secretaries Limited

Auditors

Davison and Shingleton
Boundary House
91-93 Charterhouse Street
London
EC1M 6HR

Bankers

Wachovia Bank, N A
London Branch
3 Bishopsgate
London
EC2N 3AB

Barclays Bank Plc
14A The Broadway
Thatcham
Newbury
Berkshire
RG19 3HY

Solicitors

Taylor Wessing
Carmelite
50 Victoria Embankment
Blackfriars
London
EC4Y 0DX

Registered Office

Carmelite
50 Victoria Embankment
Blackfriars
London
EC4Y 0DX

Company Number

04285569

WEICHERT RELOCATION UK LIMITEDDIRECTORS' REPORT

The directors present their report and accounts for the year ended December 31, 2006

Results and dividends

The trading loss for the year, after taxation, amounted to £153,073 (2005 loss £282,224)

The directors do not recommend the payment of a dividend

Principal activity

The company's principal activity during the year continued to be that of the provision of relocation and assignment management services

Review of the business

The year's trading resulted in a reduction in the operating loss arising in the year of £124,680 from that of 2005. The reduction was achieved by a reduction in operating expenses and increased turnover. Weichert Relocation Resources Inc continues to provide support to the company.

Directors and their interests

There are no directors' interests requiring disclosure under the Companies Act 1985

Statement of directors' responsibilities in respect of the accounts

The directors are responsible for preparing the report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP)

Company law requires the directors to prepare accounts 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 year. In preparing those accounts, 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 accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors confirm that the accounts 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 accounts 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.

WEICHERT RELOCATION UK LIMITED

DIRECTORS' REPORT

(continued)

Charitable contributions

The company made no charitable donations during the year (2005 £710)

Small company provisions

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'J Stiff', with a large, stylized flourish at the end.

J Stiff
Director

October 17, 2007



**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
WEICHERT RELOCATION UK LIMITED**

We have audited the accounts of Weichert Relocation UK Limited for the year ended December 31, 2006 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes. These accounts have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of director and auditors

The directors' responsibilities for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities in respect of the accounts on page 2.

Our responsibility is to audit the accounts 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 accounts 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 accounts.

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 transactions with the company 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 accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, 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 accounts 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 accounts.



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
WEICHERT RELOCATION UK LIMITED

(continued)

Opinion

In our opinion

- the accounts 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 December 31, 2006 and of its loss for the year then ended,
- the accounts have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the accounts

Davison and Shingleton

Davison and Shingleton
Registered Auditor

October 23, 2007

WEICHERT RELOCATION UK LIMITEDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2006

	<i>Notes</i>	2006 £	2005 £
Turnover	2	929,040	908,152
Cost of sales		(102,822)	(150,049)
Gross profit		826,218	758,103
Administrative expenses		(987,946)	(1,044,511)
Operating loss	3	(161,728)	(286,408)
Bank interest receivable		8,655	4,184
Loss on ordinary activities before taxation		(153,073)	(282,224)
Tax on ordinary activities	4	-	-
Loss for the financial year	9	£(153,073)	£(282,224)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2006

There are no recognised gains or losses other than the loss attributable to the shareholders of the company of £153,073 in the year ended December 31, 2006 and the loss of £282,224 in the year ended December 31, 2005

WEICHERT RELOCATION UK LIMITEDBALANCE SHEET AT DECEMBER 31, 2006

	<i>Notes</i>	£	2006 £	2005 £
Fixed assets				
Tangible assets	5		78,860	161,088
Current assets				
Debtors	6	419,591		545,901
Cash at bank and in hand		1,436,703		879,581
		<u>1,856,294</u>		<u>1,425,482</u>
Creditors amounts falling due within one year	7	(3,294,425)		(2,792,768)
Net current assets			(1,438,131)	(1,367,286)
Total assets less current liabilities			<u>£(1,359,271)</u>	<u>£(1,206,198)</u>
Capital and reserves				
Called up share capital	8		1,000	1,000
Profit and loss account	9		(1,360,271)	(1,207,198)
Equity shareholders' funds	9		<u>£(1,359,271)</u>	<u>£(1,206,198)</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Approved and authorised for issue by the Board on
October 17, 2007 and signed on its behalf by


J Stiff
Director

WEICHERT RELOCATION UK LIMITEDNOTES TO THE ACCOUNTS AT DECEMBER 31, 20061 Accounting policiesAccounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards and the Financial Reporting Standard for Smaller Entities (effective January 2005)

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows

Computer and office equipment	-	over 3 years
Leasehold improvements	-	over the term of the lease

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

Leasing

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term

Pensions

The company contributes to employees' personal pension schemes at rates agreed with the individuals. Contributions are paid and charged to the profit and loss account in accordance with the agreement reached between the company and the individuals

Deferred tax

Deferred tax is provided using the liability method calculated at the tax rates that are expected to apply in the periods in which the timing differences reverse. Deferred tax assets are only recognised 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.

Foreign currencies

Transactions in foreign currencies during the year are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

WEICHERT RELOCATION UK LIMITEDNOTES TO THE ACCOUNTS AT DECEMBER 31, 2006

(continued)

2 Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, all of which are continuing, stated net of value added tax

An analysis of turnover by geographical market is given below

	2006 %	2005 %
UK	77	95
Outside the UK	23	5
	<u>100%</u>	<u>100%</u>

3 Operating loss

	2006 £	2005 £
This is stated after charging		
Auditors' remuneration	15,000	20,500
Depreciation of owned assets	77,728	42,383
Operating lease rentals - land and buildings	61,000	61,000
- plant and machinery	2,675	1,800
Loss on disposal of fixed assets	4,500	-
	<u>159,903</u>	<u>125,683</u>

4 Tax on ordinary activities

No charge to UK taxation arises due to the losses incurred in the year. Subject to the agreement of HM Revenue & Customs there are trading tax losses available to carry forward of £2,087,719 (2005 £1,967,681). No deferred tax asset has been provided due to the uncertainty of the recoverability of these losses in future periods.

WEICHERT RELOCATION UK LIMITEDNOTES TO THE ACCOUNTS AT DECEMBER 31, 2006

(continued)

5 Tangible fixed assets

	<i>Leasehold improvements</i> £	<i>Computer and office equipment</i> £	<i>Total</i> £
Cost			
At January 1, 2006	182,602	21,787	204,389
Disposals	(5,623)	-	(5,623)
	-----	-----	-----
At December 31, 2006	176,979	21,787	198,766
	-----	-----	-----
Depreciation			
At January 1, 2006	36,351	6,950	43,301
Disposals	(1,123)	-	(1,123)
Provided during the year	70,877	6,851	77,728
	-----	-----	-----
At December 31, 2006	106,105	13,801	119,906
	-----	-----	-----
Net book value			
At December 31, 2006	£70,874	£7,986	£78,860
	=====	=====	=====
At January 1, 2006	£146,251	£14,837	£161,088
	=====	=====	=====

6 Debtors

	2006 £	2005 £
Trade debtors	344,360	317,944
Other debtors	5,541	1,990
Prepayments and accrued income	69,690	225,967
	-----	-----
	£419,591	£545,901
	=====	=====

WEICHERT RELOCATION UK LIMITEDNOTES TO THE ACCOUNTS AT DECEMBER 31, 2006

(continued)

7 Creditors amounts falling due within one year

	2006 £	2005 £
Amounts due to group companies (see note 13)	3,153,639	2,685,426
Taxation and social security	37,452	-
Accruals and deferred income	80,273	104,190
Other creditors	23,061	3,152
	<u>£3,294,425</u>	<u>£2,792,768</u>

The amounts due to group companies will be subordinated, if necessary, to the liabilities resulting from commitments, contracts and other liabilities entered into by the company with third parties

8 Share capital

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	2006 No	2005 No	2006 £	2005 £
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>£1,000</u>	<u>£1,000</u>

9 Reconciliation of shareholders' funds and movements on reserves

	<i>Share capital</i> £	<i>Profit and loss account</i> £	<i>Total shareholders' funds</i> £
At December 31, 2005	1,000	(1,207,198)	(1,206,198)
Loss attributable to members of the company	-	(153,073)	(153,073)
At December 31, 2006	<u>£1,000</u>	<u>£(1,360,271)</u>	<u>£(1,359,271)</u>

WEICHERT RELOCATION UK LIMITEDNOTES TO THE ACCOUNTS AT DECEMBER 31, 2006

(continued)

10 Pension commitments

The company contributes to employees' personal pension schemes that do not form part of the company's assets. During the year contributions payable amounted to £16,400 (2005 £15,327). There were unpaid contributions of £2,184 (2005 £1,478).

11 Other financial commitments

At December 31 the company had annual commitments under non-cancellable operating leases as set out below:

	<i>Land and buildings</i>		<i>Other</i>	
	2006	2005	2006	2005
	£	£	£	£
Operating leases which expire				
Within one year	61,000	-	1,050	-
Within two to five years	-	61,000	2,717	1,800
	<u>£61,000</u>	<u>£61,000</u>	<u>£3,767</u>	<u>£1,800</u>

12 Capital commitments

There are no amounts contracted but not provided for in the accounts (2005 £Nil).

13 Related party transactions

During the year Weichert Relocation Resources Inc, the immediate parent company, advanced sums of £468,213 to the company (net of sales from the company to Weichert Relocation Resources Inc of £215,099) to provide working capital. At December 31, 2006 an amount of £3,153,639 (2005 £2,685,426) was due from the company to Weichert Relocation Resources Inc.

14 Parent undertaking and controlling party

The company's immediate parent undertaking is Weichert Relocation Resources Inc, a company incorporated in the United States of America. The company's ultimate parent company is Weichert Relocation Holdings Inc, also incorporated in the United States of America. Copies of these group financial statements are not available to the public.

The ultimate controlling party is J M Weichert.