

**EXALIA LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM 1 FEBRUARY 2006 TO 30 JUNE 2007**

**TUESDAY**



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**COMPANIES HOUSE**

## **EXALIA LIMITED**

### **Annual report and financial statements for period ended 30 June 2007**

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#### **Directors**

G Wicks (appointed 25 August 2006)  
J M Robinson (appointed 25 August 2006)  
R Nagevadia (appointed 25 August 2006)  
A C Salter (resigned 25 August 2006)  
A Pestkowski (resigned 25 August 2006)  
A Harris (resigned 25 August 2006)

#### **Secretary and registered office**

R Nagevadia, 3rd Floor, Prospero House, 241 Borough High Street, London, SE1 1GA

#### **Company number**

4349489

#### **Auditors**

BDO Stoy Hayward LLP, 55 Baker Street, London, W1U 3EW

#### **Bankers**

Bank of Scotland Corporate, Bishopsgate Exchange, Level 7, 155 Bishopsgate Exchange,  
London, EC2M 3YB

#### **Solicitors**

Nabarro, Lacon House, 84 Theobald's Road, London, WC1X 8RW

## **EXALIA LIMITED**

### **Report of the directors for the period ended 30 June 2007**

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The directors present their annual report and the audited financial statements for the period ended 30 June 2007

#### **Results and dividends**

The profit and loss account is set out on page 4 and shows the profit for the period

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

#### **Principal activities, trading review and future developments**

Exalia Limited's principal activities are primarily the hosting of web sites and the provision of e-commerce and e-mail services

On 25 August 2006, the entire share capital of Exalia Limited was acquired by Group NBT plc

The directors consider the results for the year to be satisfactory. There have been no events since the balance sheet date which materially affect the position of the company

#### **Directors and their interests**

The directors of the company, during the period and at the year-end, are disclosed on page 1

No director held any interest in the share capital of the company or other subsidiaries of the ultimate parent at the period end. The interests of the directors in the share capital of the company's parent, Group NBT plc, are disclosed in the financial statements of that entity

#### **Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and UK 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 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 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 Company's 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

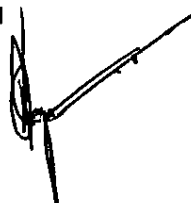
#### **Auditors**

All of the directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the auditors for the purpose of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware

Messrs Gerald Edelman resigned as auditors on 24 August 2006 and BDO Stoy Hayward LLP were appointed in their place. A resolution to reappoint BDO Stoy Hayward LLP as auditors will be proposed at the next annual general meeting

By order of the Board

R Nagevadia  
Company Secretary  
24 April 2008



## EXALIA LIMITED

### Report of the independent auditors

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#### To the shareholders of Exalia Limited

We have audited the financial statements of Exalia 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.

#### Respective responsibilities of Directors and auditors

The Directors' responsibilities for preparing the financial statements 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.

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 have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with those financial statements. We also 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 or material inconsistencies within it. Our responsibilities do not extend to any other information.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

#### 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 June 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.

BDO Stoy Hayward LLP   
Chartered Accountants and Registered Auditors, London  
24 April 2008

**EXALIA LIMITED****Profit and loss account for the period ended 30 June 2007**

		<b>17 months to 30th June 2007 £'000</b>	<b>Year to 31st January 2006 £'000</b>
	<b>Note</b>		
<b>TURNOVER</b>	<b>2</b>	<b>1,856</b>	<b>530</b>
Cost of sales		<b>(244)</b>	<b>(114)</b>
<b>GROSS PROFIT</b>		<b>1,612</b>	<b>416</b>
Selling expenses		<b>(34)</b>	<b>-</b>
Other administrative expenses		<b>(1,154)</b>	<b>(346)</b>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>424</b>	<b>70</b>
Interest payable	<b>6</b>	<b>(4)</b>	<b>(3)</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>420</b>	<b>67</b>
Taxation on profit on ordinary activities	<b>7</b>	<b>(142)</b>	<b>(20)</b>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b>278</b>	<b>47</b>

All the company's operations were classified as continuing

All recognised gains and losses in the current period and prior year are included in the profit and loss account

The notes on pages 6 to 12 form part of these financial statements

**EXALIA LIMITED****Balance sheet as at 30 June 2007**

	Note	30th June 2007 £'000	31st January 2006 £'000
<b>FIXED ASSETS</b>			
Tangible Assets	8	411	169
<b>CURRENT ASSETS</b>			
Debtors	10	369	93
Cash at bank and in hand		<u>32</u>	<u>55</u>
		401	148
<b>CREDITORS amounts falling due within one year</b>	11	<u>412</u>	<u>199</u>
<b>NET CURRENT LIABILITIES</b>		<u>(11)</u>	<u>(51)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		400	118
<b>CREDITORS amounts falling due after one year</b>	12	-	(4)
Provisions	13	(18)	(10)
<b>NET ASSETS</b>		<u><u>382</u></u>	<u><u>104</u></u>
<b>CAPITAL RESERVES</b>			
Called up share capital			
- Allotted, called up and fully paid 100 ordinary shares of £1 each	14	-	-
Profit and loss account	15	<u>382</u>	<u>104</u>
<b>SHAREHOLDER'S FUNDS</b>		<u><u>382</u></u>	<u><u>104</u></u>

These financial statements were approved by the Board of Directors and authorised for issue on 24 April 2008

Signed on behalf of the Board

  
G Wicks  
Director

The notes on pages 6 to 12 form part of these financial statements

## **EXALIA LIMITED**

### **Notes forming part of the financial statements for the period ended 30 June 2007**

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#### **1 Accounting policies**

The financial statements are prepared under the historical cost convention and are in accordance with applicable United Kingdom accounting standards

#### **Changes in accounting policies**

The particular United Kingdom Accounting Policies adopted are described below and remain unchanged from the previous year apart from the recognition of deferred taxation

#### **Going concern**

The company is reliant upon support from its parent, Group NBT plc, to continue as a going concern. The directors of Group NBT plc have indicated that it is their intention to continue to provide financial support, when required, to the company for the foreseeable future. On this basis the directors consider it appropriate to prepare the accounts on the going concern basis. The financial statements do not incorporate any adjustments that would result from the withdrawal of support by Group NBT plc.

#### **Turnover**

Turnover represents amounts derived from the provision of services which fall within the company's ordinary activities after deduction of value added tax. Income for services provided which are invoiced in advance are deferred in the balance sheet and released to the profit and loss account in the periods in which the services are provided.

#### **Tangible fixed assets**

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 equipment	-	33.3% – 50% straight line
Fixtures, fittings and equipment	-	25% – 33.3% straight line

#### **Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except the recognition of deferred tax is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of underlying timing differences. Deferred tax liabilities and assets are not discounted.

## EXALIA LIMITED

### Notes forming part of the financial statements for the period ended 30 June 2007

#### 2 Turnover

All turnover during the year, and comparative period, can be attributed to the United Kingdom geographical markets

#### 3 Operating Profit

Operating profit is stated after charging

	17 months to 30th June 2007 £'000	Year to 31st January 2006 £'000
Depreciation of owned assets	236	61
Operating lease rentals	11	-
Auditors' remuneration audit fee	8	4

#### 4 Employees

	17 months to 30th June 2007 £'000	Year to 31st January 2006 £'000
Staff costs incurred in the year were as follows		
Wages and salaries	438	172
Social security costs	34	19
	<u>472</u>	<u>191</u>

The average number of employees during the year was as follows

	17 months to 30th June 2007 No	Year to 31st January 2006 No
Operational	6	5
	<u>6</u>	<u>5</u>

#### 5 Directors' emoluments

	17 months to 30th June 2007 £'000	Year to 31st January 2006 £'000
Directors' emoluments	61	72
Emoluments of highest paid director	<u>61</u>	<u>72</u>
Emoluments	20	37
	<u>20</u>	<u>37</u>

From 25 August 2006, no directors received any emoluments in respect of services to the Company. Directors paid by Group NBT plc, the ultimate holding company, are disclosed in its financial statements.



**EXALIA LIMITED****Notes forming part of the financial statements for the period ended 30 June 2007****6 Interest payable**

	17 months to 30th June 2007 £'000	Year to 31st January 2006 £'000
Other interest	4	3
	<u>4</u>	<u>3</u>

**7 Tax charge on profit on ordinary activities**

	17 months to 30th June 2007 £'000	Year to 31st January 2006 £'000
<b>(a) Analysis of tax charge</b>		
<b>Current tax</b>		
UK Corporation tax	134	12
Total current tax charge (note 7b)	<u>134</u>	<u>12</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	8	8
Total deferred tax	<u>8</u>	<u>8</u>
Tax charge on profit on ordinary activities	<u>142</u>	<u>20</u>
<b>(b) Tax charge reconciliation</b>		
Profit on ordinary activities before tax	<u>420</u>	<u>67</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2006 - 19%)	126	13
Effects of		
Provisions not deductible for tax purposes	7	-
Depreciation in excess of capital allowances	1	(1)
Current tax charge (note 7a)	<u>134</u>	<u>12</u>

## EXALIA LIMITED

Notes forming part of the financial statements for the period ended 30 June 2007

### 8 Tangible assets

	Computer equipment £'000	Fixtures fittings and equipment £'000	Total £'000
<b>Cost</b>			
At 1 February 2006	189	75	264
Additions	443	36	479
Disposals	(4)	-	(4)
At 30 June 2007	<u>628</u>	<u>111</u>	<u>739</u>
<b>Depreciation</b>			
At 1 February 2006	66	29	95
Disposals	(3)	-	(3)
Provided during period	199	37	236
At 30 June 2007	<u>262</u>	<u>66</u>	<u>328</u>
<b>Net book value</b>			
At 30 June 2007	<u>366</u>	<u>45</u>	<u>411</u>
At 31 January 2006	<u>123</u>	<u>46</u>	<u>169</u>

Included above are assets held under finance leases or hire purchase contracts as follows

	Client networking equipment £'000
<b>Net book values</b>	
At 31 January 2006	<u>24</u>
At 30 June 2007	<u>-</u>
<b>Depreciation charge for year</b>	
At 31 January 2006	<u>16</u>
At 30 June 2007	<u>24</u>

### 9 Investments

#### Shares in subsidiary undertaking

The company owns 100% of the issued share capital of Active 24 Managed Services Limited, a company incorporated in the UK which has remained dormant during the period

## EXALIA LIMITED

### Notes forming part of the financial statements for the period ended 30 June 2007

#### 10 Debtors

	30th June 2007 £'000	31st January 2006 £'000
Trade debtors	173	73
Amounts owed by ultimate parent	180	-
Amounts owed by group undertakings	-	6
Prepayments and accrued income	16	14
	<u>369</u>	<u>93</u>

All amounts shown for debtors fall due for payment within one year

#### 11 Creditors: amounts falling due within one year

	30th June 2007 £'000	31st January 2006 £'000
Net obligations under finance leases and hire purchase contracts	-	15
Trade creditors	56	40
Amounts owed to group undertakings	49	-
Corporation tax	95	15
Other taxation and social security	38	24
Other creditors	24	50
Accruals and deferred income	150	55
	<u>412</u>	<u>199</u>

#### 12 Creditors: amounts falling due after one year

	30th June 2007 £'000	31st January 2006 £'000
Other Loans	-	1
Net obligations under finance leases and hire purchase contracts	-	3
	<u>-</u>	<u>4</u>

#### Analysis of loans

Wholly repayable within five years	<u>-</u>	<u>1</u>
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#### Loan maturity analysis

In more than one year but not more than two years	<u>-</u>	<u>1</u>
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#### Net obligations under finance leases and hire purchase contracts

Repayable within one year	-	14
Repayable between two and five years	-	4
	-	18
Included in liabilities falling due within one year	-	(15)
	<u>-</u>	<u>3</u>

## EXALIA LIMITED

### Notes forming part of the financial statements for the period ended 30 June 2007

#### 13 Provisions

##### Deferred taxation

	30th June 2007 £'000	31st January 2006 £'000
At 1 February 2006	10	2
Origination and reversal of timing differences	8	8
At 30 June 2007	18	10
Accelerated capital allowances	18	10
At 30 June 2007	18	10

#### 14 Called up share capital

	30th June 2007 No	31st January 2006 No	30th June 2007 £	31st January 2006 £
<b>Authorised</b>				
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
<b>Called up, allotted and fully paid up</b>				
Ordinary shares of £1 each	100	100	100	100

#### 15 Profit and loss account

	£'000
At 1 February 2006	104
Profit for the financial period	278
At 30 June 2007	382

#### 16 Reconciliation of movements in shareholders' funds

	30th June 2007 £'000	31st January 2006 £'000
Profit for the financial period	278	47
Opening shareholders' funds	104	57
Closing shareholders' funds	382	104

## **EXALIA LIMITED**

### **Notes forming part of the financial statements for the period ended 30 June 2007**

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#### **17 Operating lease commitments**

At 30 June 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2008

	<b>30th June 2007 £'000</b>	<b>31st January 2006 £'000</b>
Operating leases which expire Between two and five years	-	10

#### **18 Related party transactions**

The Company has taken advantage of paragraph 3(c) of Financial Reporting Standard 8 – 'Related Party Disclosures', in not disclosing transactions with Group undertakings as more than 90 percent of its shares are controlled within the Group which is headed by Group NBT plc as described in note 20 below

There were no other related party transactions

#### **19 Cash flow statement**

The Company has used the exemption under Financial Reporting Standard 1 - 'Cash Flow Statements', not to prepare a cash flow statement as it is consolidated in the financial statements of its ultimate parent company

#### **20 Ultimate controlling party**

At June 2007, the company's immediate and ultimate parent company was Group NBT plc

Group NBT plc produces consolidated group financial statements which incorporate the results of Exalia Limited. Copies of its financial statements are available from Companies House