

**REPORT OF THE DIRECTORS AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2009  
FOR  
SAFFRON BRAND CONSULTANTS LTD**



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FOR THE YEAR ENDED 31ST DECEMBER 2009**

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**SAFFRON BRAND CONSULTANTS LTD**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31ST DECEMBER 2009**

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**DIRECTORS:** W Olins CBE  
J Benbunan  
I Stephens

**SECRETARY:** J Benbunan

**REGISTERED OFFICE:** Ibex House  
Baker Street  
Weybridge  
Surrey  
KT13 8AH

**REGISTERED NUMBER:** 4531406

**ACCOUNTANTS** Midgley Snelling  
Chartered Accountants  
Ibex House  
Baker Street  
Weybridge  
Surrey  
KT13 8AH

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

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The directors present their report with the financial statements of the company for the year ended 31st December 2009

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the provision of brand consultancy services

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st January 2009 to the date of this report

W Olins CBE  
J Benbunan  
I Stephens

Other changes in directors holding office are as follows

K Manasian - resigned 19th August 2009

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

Charitable donations of £29 were made to One Laptop Per Child Foundation

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

**ON BEHALF OF THE BOARD:**



J Benbunan - Secretary

Date

9/7/2010

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2009**

	Notes	2009 £	2008 £
<b>TURNOVER</b>	2	2,036,828	2,469,141
Administrative expenses		2,225,544	3,376,167
		(188,716)	(907,026)
Other operating income		191,734	119,830
<b>OPERATING PROFIT/(LOSS)</b>	3	3,018	(787,196)
Interest receivable and similar income		-	1,161
		3,018	(786,035)
Interest payable and similar charges	4	63,001	60,300
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(59,983)	(846,335)
Tax on loss on ordinary activities	5	-	-
<b>LOSS FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(59,983)	(846,335)

The notes form part of these financial statements

**SAFFRON BRAND CONSULTANTS LTD (REGISTERED NUMBER. 4531406)**

**BALANCE SHEET  
31ST DECEMBER 2009**

	Notes	2009 £	2008 £
<b>FIXED ASSETS</b>			
Tangible assets	6	53,976	114,185
Investments	7	51,072	72
		<u>105,048</u>	<u>114,257</u>
<b>CURRENT ASSETS</b>			
Stocks		155,000	29,032
Debtors	8	252,706	454,572
Prepayments and accrued income		29,133	29,247
Cash at bank and in hand		113,759	3,852
		<u>550,598</u>	<u>516,703</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	<u>2,108,428</u>	<u>2,018,426</u>
<b>NET CURRENT LIABILITIES</b>		<u>(1,557,830)</u>	<u>(1,501,723)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(1,452,782)</u>	<u>(1,387,466)</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	10	<u>4,000</u>	<u>9,333</u>
<b>NET LIABILITIES</b>		<u><u>(1,456,782)</u></u>	<u><u>(1,396,799)</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	1,000	1,000
Profit and loss account	14	<u>(1,457,782)</u>	<u>(1,397,799)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><u>(1,456,782)</u></u>	<u><u>(1,396,799)</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2009

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2009 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The notes form part of these financial statements

**BALANCE SHEET - continued**  
**31ST DECEMBER 2009**

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The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on  
its behalf by

9/7/ 2010

and were signed on

A handwritten signature in black ink, appearing to read 'J Benbunan', written over a horizontal line.

J Benbunan - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2009

1 ACCOUNTING POLICIES

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

**Turnover**

Turnover represents net invoiced sales of services, excluding value added tax

**Tangible fixed assets**

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

Leasehold improvements	- Over the term of the lease
Fixtures, fittings & office equipment	- 25% on cost
Computer equipment	- 33% on cost

**Work in progress**

Work in progress is valued at the lower of cost and net realisable value

**Deferred tax**

Provision is made for deferred tax using the liability method to take account of timing differences between certain items for taxation and accounting purposes. Tax deferred is accounted for in respect of material timing differences. Deferred tax assets are recognised to the extent that they are regarded as recoverable. The company has not adopted a policy of discounting deferred tax assets and liabilities.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange recorded for that month for each transaction. Exchange differences are taken into account in arriving at the operating result.

**Going concern**

The directors consider that with the continuing support of their bankers and parent company that the company is a going concern.

2 TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below

	2009	2008
UK	35.65%	37.97%
Rest of the world	64.35%	62.03%
	<u>100.00%</u>	<u>100.00%</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2009

3 OPERATING PROFIT/(LOSS)

The operating profit (2008 - operating loss) is stated after charging/(crediting)

	2009	2008
	£	£
Depreciation - owned assets	61,867	70,567
Loss on disposal of fixed assets	37	-
Foreign exchange differences	(127,036)	347,041
	<u>370,535</u>	<u>393,436</u>
Directors' remuneration and other benefits etc	<u>370,535</u>	<u>393,436</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges includes the following

	2009	2008
	£	£
Bank interest	3,807	2,127
Group loan interest	59,194	58,173
	<u>63,001</u>	<u>60,300</u>

5 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31st December 2009 nor for the year ended 31st December 2008

6 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures, fittings & office equipment £	Computer equipment £	Totals £
<b>COST</b>				
At 1st January 2009	150,014	40,312	66,384	256,710
Additions	-	-	2,594	2,594
Disposals	-	-	(2,411)	(2,411)
At 31st December 2009	<u>150,014</u>	<u>40,312</u>	<u>66,567</u>	<u>256,893</u>
<b>DEPRECIATION</b>				
At 1st January 2009	55,945	29,998	56,582	142,525
Charge for year	51,751	4,323	5,793	61,867
Eliminated on disposal	-	-	(1,475)	(1,475)
At 31st December 2009	<u>107,696</u>	<u>34,321</u>	<u>60,900</u>	<u>202,917</u>
<b>NET BOOK VALUE</b>				
At 31st December 2009	<u>42,318</u>	<u>5,991</u>	<u>5,667</u>	<u>53,976</u>
At 31st December 2008	<u>94,069</u>	<u>10,314</u>	<u>9,802</u>	<u>114,185</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2009

7 FIXED ASSET INVESTMENTS

	2009 £	2008 £
Shares in group undertakings	72	72
Loans to group undertakings	51,000	-
	<u>51,072</u>	<u>72</u>

Additional information is as follows

	Shares in group undertakings £
<b>COST</b>	
At 1st January 2009 and 31st December 2009	<u>72</u>
<b>NET BOOK VALUE</b>	
At 31st December 2009	<u>72</u>
At 31st December 2008	<u>72</u>
	Loans to group undertakings £
New in year	<u>51,000</u>
At 31st December 2009	<u>51,000</u>

During 2008 the company acquired 1% of the share capital in Saffron Brand Consultants India Private Limited, a group subsidiary company incorporated in India

8 DEBTORS

	2009 £	2008 £
Amounts falling due within one year		
Trade debtors	115,257	428,172
Amounts owed by group undertakings	102,092	-
Other debtors	35,357	2,400
	<u>252,706</u>	<u>430,572</u>
Amounts falling due after more than one year		
Other debtors	<u>-</u>	<u>24,000</u>
Aggregate amounts	<u>252,706</u>	<u>454,572</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2009

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Bank loans and overdrafts	59,199	113,352
Trade creditors	281,769	152,794
Amounts owed to group undertakings	1,558,817	1,533,989
Taxation and social security	22,685	84,753
Other creditors	185,958	133,538
	<u>2,108,428</u>	<u>2,018,426</u>

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009	2008
	£	£
Other creditors	<u>4,000</u>	<u>9,333</u>

11 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	2009	2008
	£	£
Expiring		
Within one year	96,000	-
Between one and five years	-	96,000
	<u>96,000</u>	<u>96,000</u>

12 SECURED DEBTS

The following secured debts are included within creditors

	2009	2008
	£	£
Bank overdraft	<u>-</u>	<u>94,391</u>

The bank overdraft with Banco Sabadell is secured by a deposit of £100,000

13 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			2009	2008
Number	Class	Nominal value	£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2009

14 RESERVES

	Profit and loss account £
At 1st January 2009	(1,397,799)
Deficit for the year	(59,983)
At 31st December 2009	<u>(1,457,782)</u>

15 ULTIMATE PARENT COMPANY

The ultimate parent company is Saffron Brand Consultants S A , a company incorporated in Spain

Consolidated Financial Statements are available from, Saffron Brand Consultants S A , Zurbano 23, 28010 Madrid, Spain

16 CONTINGENT LIABILITIES

During 2008 HM Revenue and Customs commenced a payroll review. The Directors are of the opinion that this will result in no additional tax liabilities for the company.

17 TRANSACTIONS WITH DIRECTORS

During the year £230,400 was invoiced by W Olins CBE (2008 £284,816), a director, for consultancy services rendered. At the period end the company owed W Olins CBE £136,968 (2008 £51,360) in respect of consultancy services and £100,000 (2008 nil) in respect of money loaned to the company which has been deposited at Banco Sabadell as security on overdrafts.

18 RELATED PARTY DISCLOSURES

The company is controlled by Saffron Brand Consultants S A who own 100% of the issued share capital.

The company paid management and project fees in the ordinary course of business of £79,848 (2008 £60,292) to Saffron Brand Consultants S A , and £64,100 (2008 £257,750) to Saffron Brand Consultants Inc , a company under common control. At the year end the company owed £1,480,058 (2008 £1,260,076) to Saffron Brand Consultants S A , and £78,760 (2008 £273,913) to Saffron Brand Consultants Inc.

During the year the company invoiced Saffron Brand Consultants Private Limited , a company under common control, £102,092 (2008 nil). At 31 December 2009 Saffron Brand Consultants Private Limited owed £102,092 (2008 nil) to the company.

The company paid interest at the rate of 5% to Saffron Brand Consultants S A of £53,653 (2008 £54,191) and Saffron Brand Consultants Inc of £5,541 (2008 £3,982).