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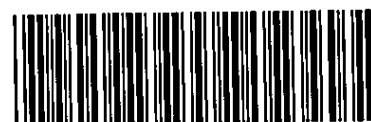
Virtual Net Direct Limited

Report and financial statements

Year ended

31 March 2005

TUESDAY



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BDO Stoy Hayward
Chartered Accountants

Virtual Net Direct Limited

Annual report for the year ended 31 March 2005

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Directors

J Sobowale
P R Livett

Secretary and registered office

J Sobowale, 1st Floor, Prospect House, Mills Road, Quarry Wood Industrial Estate, Aylesford,
Kent, ME20 7NA

Company number

4689345

Virtual Net Direct Limited

Report of the directors for the year ended 31 March 2005

The directors present their report together with the audited financial statements for the year ended 31 March 2005

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year

The directors do not recommend a final ordinary dividend in respect of the year (2004 - £Nil)

Principal activities, review of business and future developments

The principal activity of the company is the provision of management consultancy services. The directors are satisfied with the results for the year and anticipate a similar level of business for the coming year.

Directors

The directors who served during the year were

J Sobowale

I Nairn (resigned 17 July 2006)

P R Livett was appointed director on 18 October 2006. The interests of the directors in the shares of the parent company, Virtual Net (Europe) Plc, are shown in the accounts of that company.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that year. 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 that disclose with reasonable accuracy at any time 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.

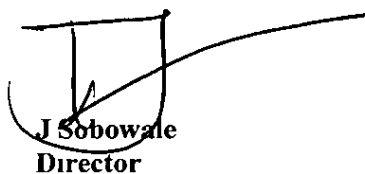
Virtual Net Direct Limited

Report of the directors for the year ended 31 March 2005 (*Continued*)

Auditors

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting

By order of the Board



J Sobowale
Director

30 January 2007

Virtual Net Direct Limited

Report of the independent auditors

To the shareholders of Virtual Net Direct Limited

We have audited the financial statements of Virtual Net Direct Limited for the year ended 31 March 2005 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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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.

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.

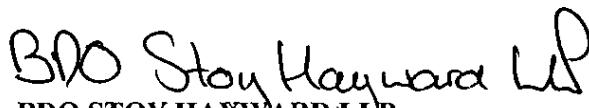
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Virtual Net Direct Limited

Report of the independent auditors (*Continued*)

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 31 March 2005 and of its profit for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985


BDO STOY HAYWARD LLP
*Chartered Accountants
and Registered Auditors*
London

30 January 2007

Virtual Net Direct Limited

Profit and loss account for the year ended 31 March 2005

		Year ended 31 March 2005	Period from 6 March 2003 to 31 March 2004
	Note		
Turnover	2	260,462	-
Administrative expenses		(122,217)	-
Operating profit and profit on ordinary activities before taxation	3	138,245	-
Taxation	4	(26,267)	-
Profit on ordinary activities after taxation	9	111,978	-

All amounts relate to continuing activities

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

The notes on pages 7 to 10 form part of these financial statements

Virtual Net Direct Limited**Balance sheet at 31 March 2005**

	Note	2005 £	2005 £	2004 £	2004 £
Current assets					
Debtors	6	107,982		1	
		<u>107,982</u>		<u>1</u>	
Creditors: amounts falling due within one year	7	(120,424)		-	
		<u>(120,424)</u>		<u>-</u>	
Net current (liabilities)/assets			(12,442)		1
			<u>(12,442)</u>		<u>1</u>
Net (liabilities)/assets			<u>(12,442)</u>		<u>1</u>
Capital and reserves					
Called up share capital	8		1		1
Profit and loss account	9		(12,443)		-
			<u>(12,442)</u>		<u>-</u>
Shareholders' funds	10		<u>(12,442)</u>		<u>1</u>

The financial statements were approved by the Board on 30 January 2007



J Sobowale
Director

The notes on pages 7 to 10 form part of these financial statements

Virtual Net Direct Limited

Notes to the financial statements for the year ended 31 March 2005

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied.

Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax.

Deferred taxation

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

Deferred tax balances are not discounted.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Operating profit

	Year ended 31 March 2005 £	Period from 6 March 2003 to 31 March 2004 £
This has been arrived at after charging		
Auditors' remuneration	1,000	-

Virtual Net Direct Limited

Notes to the financial statements for the year ended 31 March 2005 (Continued)

4 Taxation on profit from ordinary activities

There were no material deferred tax assets or liabilities which have not been provided for

	Year ended 31 March 2005 £	Period from 6 March 2003 to 31 March 2004 £
Current tax for year	26,267	-
The tax assessed for the year varies from the standard rate of corporation tax in the UK The differences are explained below		
Profit on ordinary activities before tax	138,245	-
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2004 – 19%) and current tax charge	26,267	-

5 Dividends

	2005 £	2004 £
Interim dividends paid on ordinary share	124,421	-

6 Debtors

	2005 £	2004 £
Amounts due from group undertakings	107,982	-

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

7 Creditors: amounts falling due within one year

	2005 £	2004 £
Corporation tax payable	26,267	-
Other creditors and accruals	94,157	-
	120,424	-

Virtual Net Direct Limited

Notes to the financial statements for the year ended 31 March 2005 (Continued)

8 Share capital

	2005 Number	Authorised 2004 Number	2005 £	2004 £
Ordinary shares of £1 each	100	100	100	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	2005 Number	Allotted, called up and fully paid 2004 Number	2005 £	2004 £
Ordinary shares of £1 each	1	1	1	1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

9 Reserves

	Profit and loss account 2005 £
Brought forward	-
Profit for the year	111,978
Dividends paid	(124,421)
	<u> </u>
Carried forward	(12,443)
	<u> </u>

10 Reconciliation of movement in shareholders' funds

	Year ended 31 March 2005 £	Period from 6 March 2003 to 31 March 2004 £
Profit for the year	111,978	-
Dividends paid	(124,421)	-
Issued share capital	-	1
	<u> </u>	<u> </u>
Net movement in shareholders' funds	(12,443)	1
Opening shareholders' funds	1	-
	<u> </u>	<u> </u>
Closing shareholders' funds	(12,442)	1
	<u> </u>	<u> </u>

11 Related party transactions

The company has taken advantage of the exemption not to disclose any transactions with entities that are included in the consolidated financial statements of Virtual Net (Europe) Plc

12 Ultimate parent company

At 31 March 2005, the company's immediate and ultimate parent company was Virtual Net (Europe) Plc, a company registered in England. Copies of the consolidated financial statements of Virtual Net (Europe) Plc are available from 1st Floor, Prospect House, Mills Road, Quarry Wood Industrial Estate, Aylesford, Kent, ME20 7NA.