

# Consensus Business Group Limited

## FINANCIAL STATEMENTS

for the year ended

31 May 2008

Company Registration No. 04890494

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# Consensus Business Group Limited

## DIRECTORS AND OFFICERS

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### DIRECTORS

V A Tchenguiz  
M D Watson

### SECRETARY

M H P Ingham

### COMPANY NUMBER

04890494 (England and Wales)

### REGISTERED OFFICE

4th Floor  
Leconfield House  
Curzon Street  
London  
W1J 5JA

### AUDITORS

Baker Tilly UK Audit LLP  
Chartered Accountants  
The Clock House  
140 London Road  
Guildford  
Surrey  
GU1 1UW

### SOLICITORS

Olswang  
90 High Holborn  
London  
WC1V 6XX

# Consensus Business Group Limited

## DIRECTORS' REPORT

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The directors present their report and financial statements of Consensus Business Group Limited for the year ended 31 May 2008.

### PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company is investing in early stage environmental and technology companies.

During the year no new investments were made and there have been no disposals of previously acquired interests.

In the opinion of the directors the result for the year and the financial position of the company at 31 May 2008 were satisfactory given the support of Vincos Limited, a fellow group company.

### FINANCIAL RISKS AND KEY PERFORMANCE INDICATORS

The company's investment policy is a high risk strategy as the processes and products being developed by the companies in which investments are made, may not work or ultimately be commercially viable. Accordingly, the value of the company's investments may not be realised in full.

The company mitigates its risk by

- (1) only investing as a minority investor together with other investors thereby spreading the risk, and
- (2) requiring that detailed reports on the progress of the companies are provided on a periodic basis.

Because of the nature of the company's activities it has no relevant key performance indicators.

### DIVIDENDS

The director does not recommend payment of an ordinary dividend.

### DIRECTORS

The following directors have held office since 1 June 2007:

V A Tchenguiz

M D Watson

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(Resigned 14 April 2008)

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### AUDITORS

Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

On behalf of the board



M D Watson

Director

16 January 2009

# Consensus Business Group Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. 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 requirements of 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 AUDITOR'S REPORT TO THE MEMBERS OF CONSENSUS BUSINESS GROUP LIMITED

We have audited the financial statements on pages 5 to 12.

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 auditor's 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' responsibilities for preparing the Annual Report and 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 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 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 judgements 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 at 31 May 2008 and of its result for the year then ended and 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.

*Baker Tilly UK Audit LLP*

BAKER TILLY UK AUDIT LLP

Registered Auditor  
Chartered Accountants  
The Clock House  
140 London Road  
Guildford  
Surrey  
GU1 1UW

16 January 2009

# Consensus Business Group Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 31 May 2008

	<i>Notes</i>	2008 £	2007 £
Other operating expenses	1	(7,405)	(67,406)
OPERATING LOSS		(7,405)	(67,406)
Investment income	2	43,898	27,075
		36,493	(40,331)
Amounts written off investments	3	-	1,000,000
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	4	36,493	(1,040,331)
Taxation	6	-	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	12	36,493	(1,040,331)

All amounts derive from continuing activities.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

# Consensus Business Group Limited

## BALANCE SHEET

31 May 2008

	Notes	2008 £	2007 £
<b>FIXED ASSETS</b>			
Investments	7	400,000	400,000
<b>Debtors</b>			
	8	70,973	27,075
<b>CREDITORS: Amounts falling due within one year</b>			
	9	(1,565,277)	(1,557,872)
<b>NET CURRENT LIABILITIES</b>			
		(1,494,304)	(1,530,797)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		(1,094,304)	(1,130,797)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	1	1
Profit and loss account	12	(1,094,305)	(1,130,798)
<b>SHAREHOLDERS' FUNDS</b>			
	13	(1,094,304)	(1,130,797)

The financial statements on pages 5 to 12 were approved by the board of directors and authorised for issue on 16 January 2009 and are signed on its behalf by:

*Michael Watson*

M D Watson

Director

# Consensus Business Group Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with applicable accounting standards.

The financial statements have been prepared under the historical cost convention.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

### GOING CONCERN

The company continues to be supported by Vincos Limited, a fellow group company (see note 16), which has agreed to provide financial support as and when required to enable the company to meet its external obligations. On this basis, the directors consider it appropriate to prepare the accounts on a going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of this financial support.

### INVESTMENTS

Investments where the company has a minority stake and does not have board representation or, where that representation is only that of a non-participating non-executive directorship, are considered to be passive investments irrespective of the size of the company's shareholding.

These investments are stated at cost less provision for permanent diminution in value.

### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax is measured on a non-discounted basis.

### CASH FLOW STATEMENT

The company is exempt from the requirement to prepare a cash flow statement as it is entitled to the exemptions for small companies' accounts set out in section 246 to 249 of the Companies Act 1985.



# Consensus Business Group Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2008

1. OTHER OPERATING EXPENSES	2008 £	2007 £
Administrative expenses	<u>7,405</u>	<u>67,406</u>
2. INVESTMENT INCOME	2008 £	2007 £
Interest from unlisted investments	<u>43,898</u>	<u>27,075</u>
3. AMOUNTS WRITTEN OFF INVESTMENTS	2008 £	2007 £
Amounts written off fixed asset investments:		
Permanent diminution in value	<u>-</u>	<u>1,000,000</u>
4. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2008 £	2007 £
Profit/(Loss) on ordinary activities before taxation is stated after charging:		
Auditor's remuneration	<u>5,875</u>	<u>-</u>
5. EMPLOYEES		

There were no employees during the year apart from the directors, who received no emoluments.

**Consensus Business Group Limited**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
for the year ended 31 May 2008

6. TAXATION	2008	2007
	£	£
Current tax charge	-	-
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	36,493	(1,040,331)
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2007: 30.00%)	10,218	(312,099)
Effects of:		
Non deductible expenses	420	20,213
Unutilised tax losses carried forward	17,750	19,316
Provision for diminuation of value of investments	-	300,000
UK transfer pricing	(28,388)	(27,430)
	(10,218)	312,099
Current tax charge	-	-

The company has estimated losses of £ 176,383 (2007: £ 112,989) available for carry forward against future trading profits.

The deferred tax asset arising on the losses carried forward has not been recognised as their utilisation in the near future is considered remote.

**Consensus Business Group Limited**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**for the year ended 31 May 2008**

**7. FIXED ASSET INVESTMENTS**

Unlisted investments

	<i>Shares</i> £	<i>Loans</i> £	<i>Total</i> £
Cost			
1 June 2007 and 31 May 2008	1,000,000	400,000	1,400,000
Provisions for diminution in value			
1 June 2007 and 31 May 2008	1,000,000	-	1,000,000
Net book value			
31 May 2008	-	400,000	400,000
31 May 2007	-	400,000	400,000

The net book value of the investments at 31 May 2008 comprise the following:

The Carbon Neutral Company Limited	-	400,000
Strategic Communication Laboratories Limited	-	-
	-	400,000

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

<i>Company</i>	<i>Country of registration or incorporation</i>	<i>Shares held</i>  <i>Class</i>	<i>%</i>
Strategic Communication Laboratories Limited	England	Ordinary	23

**8. DEBTORS**

	2008 £	2007 £
Due within one year:		
Prepayments and accrued income	70,973	27,075

**Consensus Business Group Limited**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
for the year ended 31 May 2008

9. CREDITORS: Amounts falling due within one year	2008	2007
	£	£
Amounts owed to group undertakings	1,562,014	1,557,576
Other creditors	326	296
Accruals and deferred income	2,937	-
	<u>1,565,277</u>	<u>1,557,872</u>

10. DEFERRED TAXATION

11. SHARE CAPITAL	2008	2007
	£	£
Authorised:		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:		
1 Ordinary Shares of £1 each	<u>1</u>	<u>1</u>

12. STATEMENT OF MOVEMENT ON RESERVES

	<i>Profit and loss account</i>
	£
1 June 2007	(1,130,798)
Retained profit for the year	<u>36,493</u>
31 May 2008	<u>(1,094,305)</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2008	2007
	£	£
Profit/(Loss) for the financial year	36,493	(1,040,331)
Opening shareholders' funds	<u>(1,130,797)</u>	<u>(90,466)</u>
Closing shareholders' funds	<u>(1,094,304)</u>	<u>(1,130,797)</u>

14. CONTINGENT LIABILITIES

The company's unlisted investments have been charged to secure loans made by a third party to Zalrose Limited a related party whose ultimate controlling party is the Tchenguiz Family Trust. The loan outstanding at 31 May 2008 was £30,000,000.

# Consensus Business Group Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 May 2008

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### 15. CONTROL

The company's immediate holding company is Rotch Limited, a company registered in Great Britain.

The company's ultimate holding company is Amora Investments Limited, a company registered in the British Virgin Islands.

The ultimate controlling party is the Tchenguiz Family Trust.

### 16. RELATED PARTY TRANSACTIONS

The company is related to fellow subsidiaries of Amora Investments Limited with whom in many cases it has directors in common and whose ultimate controlling party is the Tchenguiz Family Trust.

At the balance sheet date, and included within Amounts owed to group undertakings, £1,562,014 (2007: £1,557,576) was due to one such company, Vincos Limited.

In view of the company's current liabilities, Vincos Limited has agreed to provide financial support as and when required to enable the company to meet its external obligations.

The company is also related to other companies controlled by the Tchenguiz Family Trust. At the balance sheet date, and included within Other Creditors, £326 (2007: £296) was due to one such company, Rotch Property Group Limited.

No interest accrues on the related party balances.