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Orange Genie Cover Limited
Financial Statements
For the year ended 31st March 2008

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Orange Genie Cover Limited
Financial Statements
For the year ended 31st March 2008

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Orange Genie Cover Limited
Officers and Professional Advisers

The board of directors	C. Graham G. Fisher R. Baker J. Ward
Company secretary	R. Baker
Registered office	3rd Floor, Buckingham House, Buckingham Street, Aylesbury, Bucks, HP20 2LA.
Registered number	04896166
Auditor	Benjamin, Taylor & Co., Chartered Accountants & Registered Auditors 5, Wigmore Street, London, W1U 1HY

Orange Genie Cover Limited
The Directors' Report
For the year ended 31st March 2008

The directors present their report and the financial statements of the company for the year ended 31st March 2008.

Principal activities and business review

The company's principal business activity is the supply of professional contractors' services to carry out short term assignments within the UK.

There have not been any significant changes in the company's principal activities in the period under review and the directors have no plans, at the date of this report, to make any major changes in the company's activities in the next year.

The company has continued to invest in the development of new software to provide a robust, scaleable platform that will allow the company to continue its growth without incurring significant additional operating costs.

Principle Risks and Uncertainties

The most significant risk to the company is the regulatory risk around changes to employment legislation. The company will continue to retain the services of employment and taxation specialists to ensure we are able to respond quickly and positively but changes could adversely affect human, financial and system resources within the company.

As the economy enters into recession the credit risk will grow that customers may not be able to meet their contractual obligations to the company. The company has tightened its credit policies and deferred payment terms are only offered to customers who have a long term relationship with the company and satisfy credit worthiness procedures.

Results and dividends

The loss for the year amounted to £357,362. The directors have not recommended a dividend.

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

As shown in the company's profit and loss account on page 7, in the year of trading, the company has recorded sales of £45.1m (2007: £38.3m).

Financial risk management objectives and policies

The company's principle financial instruments comprise bank balances, bank overdraft, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The company makes use of a deposit account with a higher rate of interest where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits due.

Orange Genie Cover Limited
The Directors' Report *(continued)*
For the year ended 31st March 2008

Trade creditor liquidity risk is managed by ensuring sufficient funds are available to meet amounts

Directors

The directors who served the company during the year were as follows:

C. Graham
G. Fisher
R. Baker
J. Ward

(Appointed 21st December 2007)

Policy on the payment of creditors

It is the company's policy to maintain good relationships with its contractors. Contractors are made aware of the terms of payment, which are agreed with them in advance and these terms are adhered to. Trade creditors of the company at 31st March 2008 were equivalent to 21 (2007 - 21) days based on the average daily amount invoiced by the contractors during the year.

Directors' responsibilities

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 these 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 the financial position of the company and enable them to ensure 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.

Orange Genie Cover Limited
The Directors' Report *(continued)*
For the year ended 31st March 2008

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Signed by order of the directors

A handwritten signature in black ink, appearing to be 'R. Baker', with a large checkmark to the right.

R. Baker
Company Secretary

Approved by the directors on 16th February 2009

**Independent Auditor's Report to the Shareholders of
Orange Genie Cover Limited**

For the year ended 31st March 2008

We have audited the financial statements of Orange Genie Cover Limited for the year ended 31st March 2008 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared on the basis of 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 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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 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 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 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.

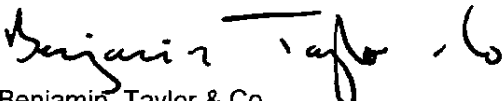
**Independent Auditor's Report to the Shareholders of
Orange Genie Cover Limited (continued)**

For the year ended 31st March 2008

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 31st March 2008 and of its loss 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.


Benjamin, Taylor & Co.,
& Registered Auditors
Chartered Accountants
5, Wigmore Street,
London,
W1U 1HY

16th February 2009

Orange Genie Cover Limited
Profit and Loss Account
For the year ended 31st March 2008

	Note	2008 £	2007 £
Turnover	2	45,095,485	38,274,487
Cost of sales		(43,886,719)	(37,395,275)
Gross Profit		1,208,766	879,212
Administrative expenses		(1,585,159)	(883,584)
Operating Loss	3	(376,393)	(4,372)
Interest receivable		21,962	20,482
Interest payable and similar charges	5	(2,931)	–
(Loss)/Profit on Ordinary Activities Before Taxation		(357,362)	16,110
Tax on (loss)/profit on ordinary activities	6	–	–
(Loss)/Profit for the Financial Year		(357,362)	16,110
Balance brought forward		45,563	29,453
Balance carried forward		(311,799)	45,563

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 10 to 16 form part of these financial statements.

Orange Genie Cover Limited

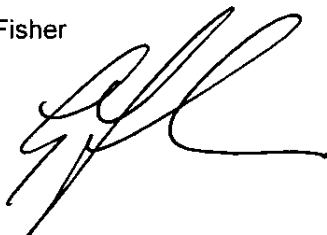
Balance Sheet

As at 31st March 2008

	Note	2008		2007	
		£	£	£	£
Fixed Assets					
Intangible assets	7		371,200		419,600
Current Assets					
Debtors	8	3,982,059		3,262,699	
Cash at bank		733,410		994,115	
		<u>4,715,469</u>		<u>4,256,814</u>	
Creditors: Amounts Falling due Within One Year	9	<u>5,398,466</u>		<u>4,630,849</u>	
Net Current Liabilities			(682,997)		(374,035)
Total Assets Less Current Liabilities			<u>(311,797)</u>		<u>45,565</u>
Capital and Reserves					
Called-up equity share capital	11		2		2
Profit and loss account			<u>(311,799)</u>		<u>45,563</u>
(Deficit)/Shareholders' Funds	12		<u>(311,797)</u>		<u>45,565</u>

These financial statements were approved by the directors and authorised for issue on 16th February 2009, and are signed on their behalf by:

G. Fisher



R. Baker



The notes on pages 10 to 16 form part of these financial statements.

Orange Genie Cover Limited
Cash Flow Statement
For the year ended 31st March 2008

		2008		2007	
	Note	£	£	£	£
Net Cash Outflow from Operating Activities	13		(250,588)		(959,406)
Returns on Investments and Servicing of Finance					
Interest received		21,962		20,482	
Interest paid		<u>(2,931)</u>		<u>—</u>	
Net Cash Inflow from Returns on Investments and Servicing of Finance			19,031		20,482
Taxation			—		(5,379)
Decrease in Cash	14		<u>(231,557)</u>		<u>(944,303)</u>

The notes on pages 10 to 16 form part of these financial statements.

Orange Genie Cover Limited
Notes to the Financial Statements
For the year ended 31st March 2008

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10% Straight line

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Going Concern

After making enquiries the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

2. Turnover

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

An analysis of turnover is given below:

	2008 £	2007 £
United Kingdom	<u>45,095,485</u>	<u>38,274,487</u>

3. Operating Loss

Operating loss is stated after charging:

	2008 £	2007 £
Directors' emoluments	—	—
Amortisation	48,400	48,400
Auditor's remuneration - audit of the financial statements	8,000	7,500
Auditor's remuneration - other fees	<u>7,000</u>	<u>4,920</u>

Orange Genie Cover Limited
Notes to the Financial Statements
For the year ended 31st March 2008

	2008	2007
	£	£
Auditor's remuneration - audit of the financial statements	<u>8,000</u>	<u>7,500</u>
Auditor's remuneration - other fees:		
- Taxation services	500	500
- Accountancy services	<u>6,500</u>	<u>4,420</u>
	<u>7,000</u>	<u>4,920</u>

4. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	2008	2007
	No	No
Professional freelance contractors	<u>1,220</u>	<u>1,019</u>

The aggregate payroll costs of the above were:

	2008	2007
	£	£
Wages and salaries	40,602,061	34,611,227
Social security costs	<u>3,199,123</u>	<u>2,739,874</u>
	<u>£43,801,184</u>	<u>£37,351,101</u>

5. Interest Payable and Similar Charges

	2008	2007
	£	£
Other similar charges payable	<u>2,931</u>	<u>-</u>

Orange Genie Cover Limited
Notes to the Financial Statements
For the year ended 31st March 2008

6. Taxation on Ordinary Activities

Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2007 - 19%).

	2008	2007
	£	£
(Loss)/profit on ordinary activities before taxation	(357,362)	16,110
Profit on ordinary activities by rate of tax	4,515	3,061
Utilisation of tax losses	(4,515)	(3,061)
Total current tax	-	-

7. Intangible Fixed Assets

	Goodwill
	£
Cost	
At 1st April 2007 and 31st March 2008	484,156
Amortisation	
At 1st April 2007	64,556
Charge for the year	48,400
At 31st March 2008	112,956
Net Book Value	
At 31st March 2008	371,200
At 31st March 2007	419,600

8. Debtors

	2008	2007
	£	£
Trade debtors	2,908,536	2,372,967
Amounts owed by group undertakings	996,478	823,843
Other debtors	69,197	64,846
Prepayments and accrued income	7,848	1,043
	<u>£3,982,059</u>	<u>£3,262,699</u>

Orange Genie Cover Limited
Notes to the Financial Statements
For the year ended 31st March 2008

9. Creditors: Amounts Falling due Within One Year

	2008	2007
	£	£
Overdrafts	160,457	189,605
Trade creditors	2,554,324	2,146,350
Amounts owed to group undertakings	27,972	17,941
Other creditors including taxation and social security:		
Other taxation and social security	2,251,833	1,999,957
Other creditors	388,052	262,051
	<u>5,382,638</u>	<u>4,615,904</u>
Accruals and deferred income	15,828	14,945
	<u>£5,398,466</u>	<u>£4,630,849</u>

Orange Genie Cover Limited
Notes to the Financial Statements
For the year ended 31st March 2008

10. Related Party Transactions

During the year the company had the following transactions with its fellow subsidiary companies:

Genie Corporate Limited

	2008	2007
	£	£
Balance brought forward	(121)	–
Monies advanced to Genie Corporate Limited	92,603	–
Monies advanced from Genie Corporate Limited	–	(121)
Balance carried forward	<u>92,482</u>	<u>(121)</u>

Genie Management Group Limited

	2008	2007
	£	£
Balance brought forward	2,348	2,348
Balance carried forward	<u>2,348</u>	<u>2,348</u>

Genie Payroll Limited

	2008	2007
	£	£
Monies advanced to Genie Payroll Limited	196,019	–
Balance carried forward	<u>196,019</u>	<u>–</u>

Orange Genie Admin Limited

	2008	2007
	£	£
Balance brought forward	821,495	(40,058)
Monies advanced to Orange Genie Admin Limited	1,384,653	1,669,973
Management charges payable to Orange Genie Admin Limited	(1,500,519)	(808,420)
Balance carried forward	<u>705,629</u>	<u>821,495</u>

Genie Services Limited

	2008	2007
	£	£
Balance brought forward	(17,820)	680
Monies advanced from Genie Services Limited	(10,152)	(18,500)
Balance carried forward	<u>(27,972)</u>	<u>(17,820)</u>

The above loans are interest free and repayable on demand.

Orange Genie Cover Limited
Notes to the Financial Statements
For the year ended 31st March 2008

10. Related Party Transactions (continued)

Transactions with Directors

During the year the company received a loan of £210,000 from Accessible Technologies Limited, a company in which G. Fisher a director of Orange Genie Cover Limited is also a director and shareholder. The loan was repaid in full during the year, including interest amounting to £2,931.

11. Share Capital

Authorised share capital:

	2008	2007
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2008		2007
	No	£	No
			£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>

12. Reconciliation of Movements in Shareholders' Funds

	2008	2007
	£	£
(Loss)/Profit for the financial year	(357,362)	16,110
Opening shareholders' funds	<u>45,565</u>	<u>29,455</u>
Closing shareholders' (deficit)/funds	<u>(311,797)</u>	<u>45,565</u>

13. Reconciliation of Operating Loss to Net Cash Outflow from Operating Activities

	2008	2007
	£	£
Operating loss	(376,393)	(4,372)
Amortisation	48,400	48,400
Increase in debtors	(719,360)	(391,086)
Increase/(decrease) in creditors	<u>796,765</u>	<u>(612,348)</u>
Net cash outflow from operating activities	<u>(250,588)</u>	<u>(959,406)</u>

Orange Genie Cover Limited
Notes to the Financial Statements
For the year ended 31st March 2008

14. Reconciliation of Net Cash Flow to Movement in Net Funds

	2008	2007
	£	£
Decrease in cash in the period	(231,557)	(944,303)
Movement in net funds in the period	(231,557)	(944,303)
Net funds at 1 April 2007	804,510	1,748,813
Net funds at 31 March 2008	<u>572,953</u>	<u>804,510</u>

15. Analysis of Changes in Net Funds

	At		At
	1 Apr 2007	Cash flows	31 Mar 2008
	£	£	£
Cash in hand and at bank	994,115	(260,705)	733,410
Overdrafts	(189,605)	29,148	(160,457)
Net funds	<u>804,510</u>	<u>(231,557)</u>	<u>572,953</u>

16. Ultimate Parent Company

The directors regard Genie Management Group Limited, a company incorporated in England as being the ultimate holding company and controlling party.

Genie Management Group was under the control of G. Fisher, C. Graham, R. Baker and J. Ward throughout the year, by virtue of their 99% shareholding in the company.