

Company Registration No. 05232587 (England and Wales)



BOLDWOOD LIMITED
ANNUAL REPORT
FOR THE PERIOD ENDED 28 FEBRUARY 2006



GERALD EDELMAN
CHARTERED ACCOUNTANTS

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BOLDWOOD LIMITED

DIRECTORS AND ADVISERS

Directors	A Reynolds P Foulger
Secretary	P Foulger
Company number	05232587
Registered office	14 Kinnerton Place South London SW1X 8EH
Registered auditors	Gerald Edelman 25 Harley Street London W1G 9BR
Bankers	Coutts & Co 440 Strand London WC2R 0QS

BOLDWOOD LIMITED

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BOLDWOOD LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2006

The directors present their first report and financial statements for the period from incorporation on 15 September 2004 to 28 February 2006.

Directors

The following directors have held office since 15 September 2004:

A Reynolds	(Appointed 25 October 2004)
P Foulger	(Appointed 25 October 2004)

Principal activities and review of the business

The company acts as a holding company. The principal activity of the group is that of providing public relations services to corporate clients in order to optimise their communications with shareholders, prospective shareholders and city audiences comprising stockbrokers, analysts and fund managers.

Results and dividends

The consolidated profit and loss account for the period is set out on page 5.

The directors do not recommend payment of an ordinary dividend.

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	28 February 2006	15 September 2004
A Reynolds	365	2
P Foulger	125	-

Auditors

Gerald Edelman were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

BOLDWOOD LIMITED

DIRECTORS' REPORT (CONTINUED) **FOR THE PERIOD ENDED 28 FEBRUARY 2006**

Directors' responsibilities

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 group and of the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



P Foulger

Director

16 June 2006

BOLDWOOD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BOLDWOOD LIMITED

We have audited the financial statements of Boldwood Limited for the period ended 28 February 2006 set out on pages 5 to 17. These financial statements have been prepared in accordance with the accounting policies set out therein.

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 auditors' 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 the directors and auditors

As described in the Statement of Directors' Responsibilities on page 2 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 or 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 transactions with the company 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 and the group'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.

BOLDWOOD LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF BOLDWOOD LIMITED

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 and the group's affairs as at 28 February 2006 and of the group's loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Gerald Edelman

16 June 2006

Chartered Accountants
Registered Auditor

25 Harley Street
London
W1G 9BR

BOLDWOOD LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 28 FEBRUARY 2006

	Notes	Period ended 28 February 2006 £
Turnover	2	1,117,782
Cost of sales		(55,134)
Gross profit		1,062,648
Administrative expenses		(1,005,414)
Exceptional employment costs associated with unapproved share schemes exercised		(108,128)
Other operating income		37,817
Operating loss	3	(13,077)
Other interest receivable and similar income		1,653
Interest payable and similar charges	4	(9,281)
Loss on ordinary activities before taxation		(20,705)
Tax on loss on ordinary activities	5	(66,406)
Loss on ordinary activities after taxation		(87,111)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

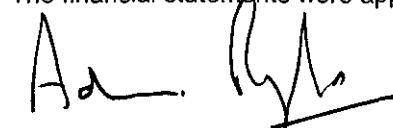
There are no recognised gains and losses other than those passing through the profit and loss account.

BOLDWOOD LIMITED

BALANCE SHEETS AS AT 28 FEBRUARY 2006

	Notes	Group 2006 £	Company 2006 £
Fixed assets			
Intangible assets	7	250,838	-
Tangible assets	8	44,627	-
Investments	9	-	100,406
		<u>295,465</u>	<u>100,406</u>
Current assets			
Debtors	10	188,005	365,648
Investments	11	58,548	-
Cash at bank and in hand		55,999	-
		<u>302,552</u>	<u>365,648</u>
Creditors: amounts falling due within one year	12	(234,653)	(15,579)
Net current assets/(liabilities)		<u>67,899</u>	<u>350,069</u>
Total assets less current liabilities		<u><u>363,364</u></u>	<u><u>450,475</u></u>
Capital and reserves			
Called up share capital	15	1,000	1,000
Share premium account	16	449,475	449,475
Profit and loss account	16	(87,111)	-
Shareholders' funds - equity interests	17	<u><u>363,364</u></u>	<u><u>450,475</u></u>

The financial statements were approved by the board on 16 June 2006



A Reynolds
Director

BOLDWOOD LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 28 FEBRUARY 2006

		Period ended 28 February 2006 £
	Notes	
Turnover	2	211,484
Cost of sales		(1,930)
Gross profit		209,554
Administrative expenses		(272,390)
Other operating income		4,000
Operating loss	3	(58,836)
Amounts written off investments		(28,000)
Interest payable and similar charges	4	(2,760)
Loss on ordinary activities before taxation		(89,596)
Tax on loss on ordinary activities	5	(67,869)
Loss on ordinary activities after taxation	16	(157,465)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

BOLDWOOD LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2006

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, which have been applied consistently (except as otherwise stated).

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 28 February 2006. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Over the term of the lease
Motor vehicles	25% straight line basis
Fixtures, fittings & equipment	25% straight line basis
Website cost	25% straight line basis

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Current asset investments are stated at the lower of cost and net realisable value.

1.9 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

BOLDWOOD LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2006

1 Accounting policies

(continued)

1.10 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Recognition of deferred tax asset 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. The deferred tax balance has not been discounted.

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

The total turnover of the group for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating loss

2006

£

Operating loss is stated after charging:

Depreciation of intangible assets	42,826
Depreciation of tangible assets	53,160
Operating lease rentals	31,364
Auditors' remuneration	16,664

and after crediting:

Rents receivable	37,817
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4 Interest payable

2006

£

On bank loans and overdrafts	3,171
On overdue tax	6,110
	9,281

BOLDWOOD LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2006

5	Taxation	2006
		£
	Domestic current year tax	
	U.K. corporation tax	80,670
	Adjustment for prior years	(24,847)
		<hr/>
	Current tax charge	55,823
	Deferred tax	
	Deferred tax charge current year	10,583
		<hr/>
		66,406
		<hr/>
	Factors affecting the tax charge for the period	
	Loss on ordinary activities before taxation	(20,705)
		<hr/>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00%	(3,934)
		<hr/>
	Effects of:	
	Non deductible expenses	49,097
	Amortisation and depreciation add back	18,237
	Capital allowances	(1,874)
	Tax losses utilised	(9,503)
	Adjustments to previous periods	(24,847)
	Other tax adjustments	(75)
		<hr/>
		59,757
		<hr/>
	Current tax charge	55,823
		<hr/>

The overall group loss arises because a subsidiary company has written off £396,115 due to its former parent company as part of the agreed transaction between Boldwood Limited and Financial Development Corporation (Note 9). The amount written off is not an allowable deduction for corporation tax purposes and as a consequence the subsidiary has incurred a corporation tax charge on its losses.

6 Holding company's result for the financial period

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial period is nil.

BOLDWOOD LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2006

7 Intangible fixed assets Group

	Goodwill £
Cost	
At 15 September 2004	-
Additions	293,664
At 28 February 2006	293,664
Amortisation	
At 15 September 2004	-
Charge for the period	42,826
At 28 February 2006	42,826
Net book value	
At 28 February 2006	250,838

8 Tangible fixed assets Group

	Land and buildings Leasehold £	Motor vehicles £	Fixtures, fittings & equipment £	Website cost £	Total £
Cost					
On acquisition of subsidiary undertakings	75,425	21,530	70,519	22,700	190,174
Additions	-	-	11,612	-	11,612
At 28 February 2006	75,425	21,530	82,131	22,700	201,786
Depreciation					
On acquisition of subsidiary undertakings	27,672	5,287	50,598	20,442	103,999
Charge for the period	17,826	7,177	25,899	2,258	53,160
At 28 February 2006	45,498	12,464	76,497	22,700	157,159
Net book value					
At 28 February 2006	29,927	9,066	5,634	-	44,627

BOLDWOOD LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2006

9 Fixed asset investments Company

	Shares in group undertakings £
Cost	
At 15 September 2004	-
Additions	100,406
At 28 February 2006	100,406

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

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

Company	Country of registration or incorporation	Shares held	
Subsidiary undertakings		Class	%
Hansard Communications.com Limited	England and Wales	Ordinary shares	100
Alan Bailey (Studios) Limited	England and Wales	Ordinary shares	100
Hansard Corporate Limited	England and Wales	Ordinary shares	100
Hansard Group Limited	England and Wales	Ordinary shares	100

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Hansard Communications.com Limited	Public relations
Alan Bailey (Studios) Limited	Public relations
Hansard Corporate Limited	Investment holding
Hansard Group Limited	Dormant

In October 2004 the company acquired all the subsidiary undertakings listed above. The analysis of the acquisition of these subsidiary undertakings is as follows:

	£
Purchase price	75,000
Legal fees on acquisition	25,406
Total purchase price	100,406
Add : Consolidated net liabilities of subsidiary undertakings acquired	193,258
Goodwill on consolidation	293,664

BOLDWOOD LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2006

10 Debtors

	Group 2006 £	Company 2006 £
Trade debtors	125,639	-
Amounts owed by group undertakings	-	365,173
Corporation tax	3,072	-
Called up share capital not paid	475	475
Other debtors	47,746	-
Prepayments and accrued income	9,467	-
Deferred tax asset (see note 13)	1,606	-
	<u>188,005</u>	<u>365,648</u>

11 Current asset investments

	Group 2006 £	Company 2006 £
Listed investments	<u>58,548</u>	<u>-</u>

The market value of these listed investments, which are traded on the Alternative Investment Market, at 28 February 2006 amounted to £58,548.

12 Creditors : amounts falling due within one year

	Group 2006 £	Company 2006 £
Trade creditors	37,638	-
Amounts owed to group undertakings	-	15,579
Corporation tax	6,774	-
Taxes and social security costs	27,184	-
Accruals and deferred income	163,057	-
	<u>234,653</u>	<u>15,579</u>

BOLDWOOD LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2006

13 Provisions for liabilities and charges Group

The deferred tax asset (included in the debtors, note 10) is made up as follows:

	Group 2006 £	Company 2006 £
Excess depreciation over capital allowances	(1,606)	-
	<u>(1,606)</u>	<u>-</u>

14 Pension costs

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2006 £
Contributions payable by the group for the period	<u>4,969</u>

15 Share capital

Authorised

500,000 Ordinary shares of £1 each

2006
£

500,000

Allotted, called up and fully paid

1,000 Ordinary shares of £1 each

1,000

During the period the company increased its authorised share capital from £1,000 to £500,000 by creation of 499,000 ordinary shares of £1 each ranking pari passu in all respects with the existing ordinary shares of the company.

During the period the company issued two ordinary shares of £1 each on incorporation on 15 September 2004 at par. The company subsequently issued 998 ordinary shares of £1 each on 5 November 2004 at a premium of £466,475.

BOLDWOOD LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2006

16 Statement of movements on reserves Group

	Share premium account £	Profit and loss account £
Retained loss for the period	-	(87,111)
Premium on shares issued during the year	449,475	-
	<hr/>	<hr/>
Balance at 28 February 2006	449,475	(87,111)
	<hr/>	<hr/>

Company

	Share premium account £	Profit and loss account £
Premium on shares issued during the year	449,475	-
	<hr/>	<hr/>
Balance at 28 February 2006	449,475	-
	<hr/>	<hr/>

17 Reconciliation of movements in shareholders' funds Group

	2006 £
Loss for the financial period	(87,111)
Proceeds from issue of shares	450,475
	<hr/>
Net addition to/(depletion in) shareholders' funds	363,364
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	363,364
	<hr/>

Company

	2006 £
Loss for the financial year	-
Proceeds from issue of shares	450,475
	<hr/>
Net addition to shareholders' funds	450,475
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	450,475
	<hr/>

BOLDWOOD LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2006

18 Financial commitments

At 28 February 2006 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2006 £
Expiry date: Between two and five years	27,536

19 Directors' emoluments

	2006 £
Emoluments for qualifying services	257,291
Company pension contributions to money purchase schemes	4,969
	262,260

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1.

20 Employees

Number of employees

The average monthly number of employees (including directors) during the period was:

	2006 Number
Administrative and sales	6

Employment costs

	2006 £
Wages and salaries	624,511
Social security costs	72,801
Other pension costs	4,969
	702,281

BOLDWOOD LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2006

21 Related party transactions

Party	Relationship	Transaction	2006	
			Value £	Balance due (to)/from at year end £
A Reynolds	Director	Loan account movements	44,794	44,794
International Brand Licensing Plc	A Reynolds and P Foulger are directors of International Brand Licensing Plc	Turnover, rent and other receivables	24,606	-
Plectrum Petroleum Plc	A Reynolds is a director of Plectrum Petroleum Plc	Rent receivable	9,000	-
Wilton International Management Group Limited	A Reynolds and P Foulger are directors of Wilton International Management Group Limited	Rent and other receivables	9,113	-
Cielo Holdings Plc	A Reynolds and P Foulger are directors of Cielo Holdings Plc	Rent and other receivables	10,189	-

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.