

KEY LOGISTICS SOLUTIONS LIMITED

DIRECTORS REPORT

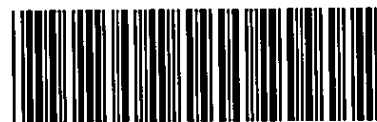
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ACCOUNTS

31 MARCH 2007

B J Corporate Services
Accountants & Business Advisers
Birmingham

SATURDAY



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COMPANIES HOUSE

**KEY LOGISTICS SOLUTIONS LIMITED
COMPANY INFORMATION**

Directors	Richard Charles Newton-Jones Peter John Brittain
Secretary	Peter John Brittain
Registered Office	Suite 11, Rugby Business Centre 21-23 Clifton Road Rugby WARWICKSHIRE CV21 3PY
Registered Number	5817750
Accountants	B J Corporate Services Dorset House 35 Betteridge Drive Sutton Coldfield West Midlands B76 1FN

KEY LOGISTICS SOLUTIONS LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the period ended 31 March 2007. The company was incorporated on 16 May 2006 as Centre Solutions Limited. The company then changed its name to Key Logistics Solutions Limited and commenced trading.

PRINCIPAL ACTIVITY

The principal activity of the company and its subsidiary is that of recruitment services.

DIRECTORS

The directors of the company during the period and their interests in the share capital are shown below:

	<u>31 03 07</u>	<u>At incorporation</u>
R C Newton-Jones	800	1
P J Brittain	200	1

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements the directors are required to:

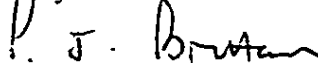
- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are prudent and correct
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Directors are responsible for keeping 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 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.

SMALL COMPANY DISCLOSURE

The directors' report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

The report of the directors was approved by the Board on 11 May 2007 and signed on its behalf by



P J Brittain
Director and Secretary

KEY LOGISTICS SOLUTIONS LIMITED

GROUP PROFIT & LOSS ACCOUNT

FOR THE PERIOD ENDED 31 MARCH 2007

	Notes	2007 £
TURNOVER	1	1,051,780
Cost of sales		852,840

GROSS PROFIT		198,940
Administrative expenses		166,811

OPERATING PROFIT	2	32,129
Interest payable and similar charges	3	18,140

PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		13,989
Tax on profit on ordinary activities	4	1,750

PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>12,239</u>

During the period under review the company acquired the whole of the issued share capital of Key Recruitment Services Limited. That company's results for the period ended 31 March 2007 are incorporated within the group accounts for the year. No other activities were acquired or discontinued during the period, and the company has no other gains or losses other than from trading during the period.

The notes form part of these accounts.

KEY LOGISTICS SOLUTIONS LIMITED		
GROUP BALANCE SHEET		AS AT 31 MARCH 2007
	Notes	<u>31 03 07</u>
		£
FIXED ASSETS		
Tangible assets	5	33,358
CURRENT ASSETS		
Debtors & prepayments	6	251,859
Cash at bank & in hand		51,561

		303,420
CREDITORS Amounts Falling Due Within One Year	7	284,020

NET CURRENT ASSETS		19,400

TOTAL ASSETS LESS CURRENT LIABILITIES		52,758
CREDITORS Amounts Falling Due After One Year	8	26,444

TOTAL NET ASSETS		<u>26,314</u>
		=====
CAPITAL AND RESERVES		
Called up share capital	9	1,000
Profit and Loss Account reserves		12,239
Pre-acquisition reserves		13,075

SHAREHOLDERS FUNDS		<u>26,314</u>
		=====

The company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985 for the period ended 31 March 2007. No notice from members requiring an audit has been deposited under section 249B(2).

The directors acknowledge responsibility for

(1) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and,

(2) preparing financial statements which give a true and fair view of the state of the company's affairs as at the end of the financial period and of its profit or loss for the period in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

APPROVED BY THE BOARD OF DIRECTORS ON 11 MAY 2007 AND SIGNED ON ITS BEHALF BY



P J BRITTAIN Director

The notes form part of these accounts

KEY LOGISTICS SOLUTIONS LIMITED	
BALANCE SHEET	AS AT 31 MARCH 2007
	<u>31 03 07</u>
	£
FIXED ASSETS	
Investment	1,000
CURRENT ASSETS	
Debtors & prepayments	16,558
Cash at bank & in hand	2,442
	<u>19,000</u>
CREDITORS Amounts Falling Due Within One Year	19,000
	<u>0</u>
NET CURRENT ASSETS	
	<u>1,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	
CREDITORS Amounts Falling Due After One Year	0
	<u>1,000</u>
TOTAL NET ASSETS	<u><u>1,000</u></u>
CAPITAL AND RESERVES	
Called up share capital	1,000
Profit and Loss Account reserves	0
	<u>1,000</u>
SHAREHOLDERS FUNDS	<u><u>1,000</u></u>

The notes form part of these accounts

KEY LOGISTICS SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

31 MARCH 2007

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Cash flow

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

Turnover

Turnover represents the amount chargeable for services rendered during the period, excluding VAT

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Fixed assets are depreciated at rates which are calculated to write off the asset over its estimated useful life

2 OPERATING PROFIT

The operating profit is stated after charging

31 03 07

£

Accountancy

500

=====

3 INTEREST PAYABLE AND SIMILAR CHARGES

31 03 07

£

Includes

Factoring charges

27,131

30,233

=====

4 TAXATION

31 03 07

£

Corporation tax @ 10%

1,750

=====

KEY LOGISTICS SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS 31 MARCH 2007

5 TANGIBLE FIXED ASSETS

GROUP	Fixtures & Fittings
<u>Cost</u>	
Balance at 31 March 2007	38,785
	=====
<u>Depreciation</u>	
Balance 31 March 2007	5,427
	=====
<u>Net Book Value</u>	
Balance at 31 March 2007	33,358
	=====

6 DEBTORS & PREPAYMENTS

	<u>31 03 07</u>
	£
Trade debtors	208,585
Prepaid expenses and deposits	43,274

	251,859
	=====

7 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31 03 07</u>
	£
Factoring account balance	133,054
Corporation Tax	1,750
Other taxes and social security	124,963
Trade creditors and accruals	18,848
Bank Loan	5,405

	284,020
	=====

KEY LOGISTICS SOLUTIONS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS 31 MARCH 2007

8 CREDITORS AMOUNTS FALLING DUE AFTER ONE YEAR

	<u>31 03 07</u>
	£
Bank Loan	8,390
Directors loans	18,054

	<u>26,444</u>

9 SHARE CAPITAL

	<u>Authorised</u>	<u>Issued</u>
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

10 SHAREHOLDERS FUNDS

	<u>31 03 07</u>
	£
Share capital subscribed	1,000
Retained profits after taxation	12,239

Closing shareholders funds	<u>13,239</u>

KEY LOGISTICS SOLUTIONS LIMITED

ACCOUNTANTS REPORT TO THE SHAREHOLDERS OF
KEY LOGISTICS SOLUTIONS LIMITED

In accordance with instructions given to us, we have prepared, without carrying out an audit, the accounts set out on pages 4 to 8 from the accounting records of Key Logistics Solutions Limited and from information and explanations supplied to us

B J Corporate Services

B J CORPORATE SERVICES
ACCOUNTANTS & BUSINESS ADVISERS
BIRMINGHAM

11 MAY 2007

This page does not form part of the accounts