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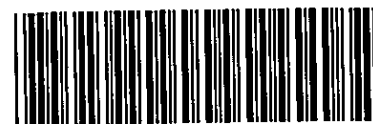
COMPANY REGISTRATION NUMBER 00979521

WELLCOM LONDON LIMITED

FINANCIAL STATEMENTS

30 JUNE 2012

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WELLCOM LONDON LIMITED
FINANCIAL STATEMENTS
AS AT 30 JUNE 2012

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WELLCOM LONDON LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
FOR THE YEAR ENDED 30 JUNE 2012

Company registration number	00979521
The board of directors	Mr J Graham Mr W W Sidwell Mr C A Anzarut
Company secretary	Mr J Graham
Registered office	7 Curtain Road London EC2A 3LT
Current auditor	Sayers Butterworth LLP 3rd Floor 12 Gough Square London EC4A 3DW
Bankers	Lloyds TSB Holborn Circus Thavies Inn House 6 Holborn Circus London EC1N 2HP
Solicitors	Thomas Eggar LLP The Corn Exchange Baffin's Lane Chichester West Sussex PO19 1GE

WELLCOM LONDON LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

The directors present their report and financial statements for the year ended 30 June 2012

PRINCIPAL ACTIVITY

The principal activity of the company was that of the provision of pre media services

On the 1 July 2011 the company acquired the business assets of Mission Possible (Create) Limited. The acquisition has materially affected the results and operations of the company. The acquisition was funded by company cash reserves and an increase in the short term loan from Wellcom Group Limited. The impact of the acquisition was assessed and included in the 2011/2012 company budget submitted to Wellcom Group Limited on 11 July 2011 and has been considered in the preparation of future budgets.

DIRECTORS

The following directors served during the period

Mr W W Sidwell
Mr C A Anzarut
Mr J Graham

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

Sayers Butterworth LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

The directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

Approved by the board on 20 August 2012 and signed on its behalf by



Mr C A Anzarut
Director

WELLCOM LONDON LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 30 JUNE 2012

The directors are responsible for preparing 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires faithful representation of the effect of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out on the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all situations, a fair presentation will be achieved by complying with all applicable IFRSs. In preparing these financial statements, the directors are also required to

- select suitable accounting policies and then apply them consistently,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance, 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 adequate 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 2006. 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.

WELLCOM LONDON LIMITED

Independent auditor's report to the shareholders of Wellcom London Limited FOR THE YEAR ENDED 30 JUNE 2012

We have audited the financial statements of Wellcom London Limited for the period ended 30 June 2012 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

WELLCOM LONDON LIMITED

**Independent auditor's report to the shareholders of Wellcom London Limited (continued)
FOR THE YEAR ENDED 30 JUNE 2012**

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2012 and of its results for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and,
- have been prepared in accordance with the Companies Act 2006

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' report



Martin Dunne (Senior Statutory Auditor)

For and on behalf of

Sayers Butterworth LLP
Chartered Accountants and Statutory Auditor
3rd Floor
12 Gough Square
London
EC4A 3DW

20 August 2012

WELLCOM LONDON LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 £	2011 £
Revenue		6,562,630	4,131,720
Cost of sales		(3,159,929)	(1,870,681)
GROSS PROFIT		3,402,701	2,261,039
Other operating income		14,190	15,089
Administrative expenses		(2,386,547)	(1,983,425)
Restructuring costs		-	-
OPERATING PROFIT	3	1,030,344	292,703
Other non-operating income		13	9
PROFIT BEFORE TAX		1,030,357	292,712
Income tax charge	6	(247,972)	26,573
PROFIT FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME		782,385	319,285

The notes on pages 11 to 22 form part of these financial statements.

WELLCOM LONDON LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

	Issued capital	Other reserves	Retained earnings	Total equity
	£	£	£	£
Balance at 1 July 2011	1,700	300	525,307	527,307
Profit for the year	-	-	782,385	782,385
Total recognised income for the year	-	-	782,385	782,385
Balance at 30 June 2012	<u>1,700</u>	<u>300</u>	<u>1,307,692</u>	<u>1,309,692</u>

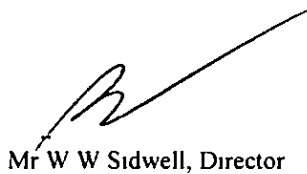
	Issued capital	Other reserves	Retained earnings	Total equity
	£	£	£	£
Balance at 1 July 2010	1,700	300	206,022	208,022
Profit for the year	-	-	319,285	319,285
Total recognised expense for the year	-	-	319,285	319,285
Balance at 30 June 2011	<u>1,700</u>	<u>300</u>	<u>525,307</u>	<u>527,307</u>

The notes on pages 11 to 22 form part of these financial statements.

WELLCOM LONDON LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Notes	2012 £	2011 £
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	350,011	228,804
Goodwill	8	600,000	-
Deferred tax assets	9	9,625	25,608
		<u>959,636</u>	<u>254,412</u>
CURRENT ASSETS			
Inventories	13	82,092	42,521
Trade and other receivables	14	1,405,749	493,027
Prepayments		367,166	367,025
Cash and cash equivalents	15	550,857	1,119,363
		<u>2,405,864</u>	<u>2,021,936</u>
TOTAL ASSETS		<u>3,365,500</u>	<u>2,276,348</u>
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	16	1,700	1,700
Reserves	17	300	300
Retained profits		1,307,692	525,307
TOTAL EQUITY		<u>1,309,692</u>	<u>527,307</u>
NON CURRENT LIABILITIES			
Trade and other payables	18	560,000	560,000
		<u>560,000</u>	<u>560,000</u>
CURRENT LIABILITIES			
Provisions	19	27,832	13,230
Trade and other payables	18	1,467,976	1,175,811
		<u>1,495,808</u>	<u>1,189,041</u>
TOTAL EQUITY AND LIABILITIES		<u>3,365,500</u>	<u>2,276,348</u>

Approved by the Board on 20 August 2012 and signed on its behalf by


Mr W W Sidwell, Director


Mr C A Anzures, Director

Company registration number 00979521

The notes on pages 11 to 22 form part of these financial statements

WELLCOM LONDON LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 £	2011 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Total operating	782,385	319,285
ADJUSTMENTS TO RECONCILE TO PROFIT FROM OPERATIONS		
Interest income	(13)	(9)
Income tax expense	247,972	(26,573)
ADJUSTMENTS TO RECONCILE PROFIT FROM OPERATIONS	247,959	(26,582)
ADJUSTMENTS TO RECONCILE PROFIT FROM OPERATIONS	1,030,344	292,703
NON-CASH ADJUSTMENTS		
Depreciation	167,954	107,092
Loss on disposal of non-current assets	5,208	-
NON-CASH ADJUSTMENTS	173,162	107,092
CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL	1,203,506	399,795
INCREASE IN WORKING CAPITAL		
Decrease/(Increase) in inventories	(39,571)	11,719
Decrease/(Increase) in trade and other receivables	(912,862)	153,643
Increase in trade and other payables	60,177	489,035
(Decrease)/Increase in provisions	14,602	(112,158)
INCREASE/(DECREASE) IN WORKING CAPITAL	(877,654)	542,239
CASH FLOWS FROM OPERATING ACTIVITIES	325,852	942,034
CASH FLOWS FROM OTHER OPERATING ACTIVITIES		
Receipts of interest classified as operating	13	9
Income taxes refunded	-	15,908
CASH FLOWS FROM OTHER OPERATING ACTIVITIES	13	15,917
NET CASH FLOWS FROM OPERATING ACTIVITIES	325,865	957,951
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire property, plant and equipment	(294,371)	(31,255)
Payments to acquire intangible assets	(600,000)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	(894,371)	(31,255)
NET CASH FLOWS FOR YEAR	(568,506)	926,696
Cash and cash equivalents as at 1 July 2011	1,119,363	192,667
CASH AND CASH EQUIVALENTS AS AT 30 JUNE 2012	550,857	1,119,363

The notes on pages 11 to 22 form part of these financial statements.

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2012

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS

The company's financial statements for the year were authorised for issue on 20 August 2012 and the balance sheet signed on the boards behalf by Mr W Sidwell and Mr C A Anzarut. Wellcom London Limited is a limited company incorporated and domiciled in England & Wales

2. ACCOUNTING POLICIES

Basis of preparation

The company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006

The financial report is presented in UK Sterling and all values are rounded to the nearest pound (£) unless otherwise stated

Statement of compliance

The financial report complies with International Financial Reporting Standards (IFRS)

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. All such revenue is reported net of discounts and value added and other sales taxes

Revenue relating to services in progress but not yet completed at the year end is recognised to the extent that costs incurred are recoverable from the customer

Income tax

Income tax expense represents the sum of the tax currently payable and deferred income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as the cost accrues

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the company's share of the identifiable net assets of the acquired entity at the date of acquisition

Goodwill arising from acquisitions is included in intangible assets, tested annually for impairment and carried at cost less accumulated impairment losses

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

2. ACCOUNTING POLICIES (continued)

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight line method, on the following bases

Short leasehold property	Over the life of the lease
Plant and equipment	20% - 33 33%
Motor vehicles	25%
Fixtures and fittings	20% - 25%

Deferred tax

Deferred tax is provided in full, using the statement of financial position liability method, on temporary differences arising between the tax bases of assets and liabilities and the carrying amounts in the financial statements

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than as a business combination) or other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, and interest in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is determined using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxed levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

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.

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

2. ACCOUNTING POLICIES (continued)

Inventories

Inventories are valued at the lower of cost and net realisable value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale

Trade and other receivables

Trade and other receivables are recognised by the company and carried at the original invoice amount less an allowance for any uncollectible or impaired amounts

An estimate for doubtful debts is made when collection of the full amount is no longer probable
Bad debts are written off when they are identified as being bad

Other receivables are recognised at fair value

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits. Short term deposits are defined as deposits with an initial maturity of three months or less

Provisions

Provisions are recognised when the company has a present obligation that arises as a consequence of a past event, it is probable that an outflow of resources will be required to settle that obligation and the obligation can be reliably estimated. The provisions are measured as the estimated expenditure that will be required to settle such obligations as at the balance sheet date. Discounting to present value is employed in the estimation process when the effect of the time value of money is material

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method

Operating lease commitments

Operating leases payments are recognised as an expense in the income statement on a straight-line basis over the lease term

Finance leases

Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation

Lease payments are apportioned between finance charges, if applicable, and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charges directly against income

Finance leased assets are recognised on a straight-line basis over the estimated useful life of the asset

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

2. ACCOUNTING POLICIES (continued)

Foreign currency translation

All foreign currency translations during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Where foreign currency monetary items exist at reporting date, they are translated at the exchange rate existing at reporting date.

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within twelve months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Accounting standards issued but not yet effective

The board has considered standards issued but not yet effective up to the date of issuance of the company's financial statements, and intend to adopt those standards (where applicable) when they become effective. However, the board does not expect such standards, when applied at a future date, to have a significant impact on disclosures, financial position and/or performance.

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting) the following

	2012 £	2011 £
Cost of inventories recognised as an expense	<u>136,843</u>	<u>75,061</u>
Loss on disposal of property, plant and equipment	<u>5,208</u>	<u>-</u>
Depreciation of property, plant and equipment	<u>167,954</u>	<u>107,092</u>
Net foreign currency differences	<u>3,124</u>	<u>19,218</u>
Operating leases		
Present value of minimum lease payments	<u>448,362</u>	<u>448,362</u>
Auditor's remuneration - audit services	<u>12,400</u>	<u>12,634</u>
	<u>12,400</u>	<u>12,634</u>

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

3. OPERATING PROFIT (continued)

	2012 £	2011 £
Included in cost of sales:		
Changes in inventories	(39,571)	(1,404)
Employee benefits expense	<u>2,003,224</u>	<u>1,117,312</u>
	<u>1,963,653</u>	<u>1,115,908</u>
Included in administrative expenses:		
Employee benefits expense	925,179	885,222
Depreciation and amortisation	167,954	107,092
Net foreign currency exchange	3,124	19,218
	<u>1,097,928</u>	<u>1,011,532</u>

4. EMPLOYEE EXPENSES

	2012 £	2011 £
Wages and salaries	2,500,159	1,693,087
Post employment expense for defined contribution plans	144,882	131,297
Social security costs	<u>285,032</u>	<u>178,150</u>
	<u>2,930,073</u>	<u>2,002,534</u>

The average monthly number of employees during the year was made up as follows

	2012 No.	2011 No
Administration	8	8
Sales and marketing	10	10
Production	<u>41</u>	<u>28</u>
	<u>59</u>	<u>46</u>

5. DIRECTORS' REMUNERATION

	2012 £	2011 £
Remuneration	<u>-</u>	<u>-</u>
Contributions to money purchase pension schemes	<u>-</u>	<u>-</u>

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

6. INCOME TAX

Components of income tax expense

	2012 £	2011 £
Current income tax expense		
Current income tax charge	231,989	-
Carried back losses	-	(15,908)
Current income tax expense	231,989	(15,908)
Deferred income tax expense		
Relating to origination and reversal of temporary differences	15,983	(10,665)
Income tax expense reported in income statement	<u>247,972</u>	<u>(26,573)</u>

Reconciliation of current income tax charge to accounting profit

	2012 % age £	2011 % age £
Accounting profit at applicable rate	25.5 262,741	28 81,959
Tax effect of brought forward losses	25.5 (38,278)	28 (84,726)
Tax effect of carried back losses	- -	28 (15,908)
Tax effect of differences between tax treatment and accounting standards	25.5 7,526	- 2,767
Tax expense using effective rate	22.5 <u>231,989</u>	<u>(15,908)</u>

The variation in effective tax rates arose due to brought forward losses becoming fully utilised in the current year

7. PROPERTY, PLANT AND EQUIPMENT

At 30 June 2012

	Short leasehold property £	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 July 2011	37,020	1,124,316	-	156,968	1,318,304
Additions	-	277,388	-	16,983	294,371
Disposals	-	(210,632)	-	-	(210,632)
At 30 June 2012	<u>37,020</u>	<u>1,191,072</u>	<u>-</u>	<u>173,951</u>	<u>1,402,043</u>

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

7. PROPERTY, PLANT AND EQUIPMENT (continued)

	Short leasehold property £	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Depreciation					
At 1 July 2011	(22,574)	(933,223)	-	(133,703)	(1,089,500)
Disposals	-	205,422	-	-	205,422
Charge for year	(7,525)	(138,808)	-	(21,621)	(167,954)
At 30 June 2012	<u>(30,099)</u>	<u>(866,609)</u>	<u>-</u>	<u>(155,324)</u>	<u>(1,052,032)</u>
Net book value					
At 1 July 2011	<u>14,446</u>	<u>191,093</u>	<u>-</u>	<u>23,265</u>	<u>228,804</u>
At 30 June 2012	<u>6,921</u>	<u>324,463</u>	<u>-</u>	<u>18,627</u>	<u>350,011</u>
At 30 June 2011					
	Short leasehold property £	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 July 2010	37,020	1,093,633	205	156,396	1,287,254
Additions	-	30,683	-	572	31,255
Disposals	-	-	(205)	-	(205)
At 30 June 2011	<u>37,020</u>	<u>1,124,316</u>	<u>-</u>	<u>156,968</u>	<u>1,318,304</u>
Depreciation					
At 1 July 2010	(15,049)	(855,725)	(205)	(111,634)	(982,613)
Disposals	-	-	205	-	205
Charge for year	(7,525)	(77,498)	-	(22,069)	(107,092)
At 30 June 2011	<u>(22,574)</u>	<u>(933,223)</u>	<u>-</u>	<u>(133,703)</u>	<u>(1,089,500)</u>
Net book value					
At 1 July 2010	<u>21,971</u>	<u>237,908</u>	<u>-</u>	<u>44,762</u>	<u>304,641</u>
At 30 June 2011	<u>14,446</u>	<u>191,093</u>	<u>-</u>	<u>23,265</u>	<u>228,804</u>

8. GOODWILL

During the year, the company acquired the trade and assets of Mission Possible (Create) Limited. Goodwill of £600,000 arose on the transaction, and, in the opinion of the directors, this was not impaired at 30 June 2012.

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

9. DEFERRED TAX

	<i>Statement of financial position</i>		<i>Income statement</i>	
	2012	2011	2012	2011
	£	£	£	£
Deferred tax liabilities				
Relating to timing differences	-	-	-	(9,067)
Deferred tax assets				
Relating to timing difference	9,625	25,608	15,983	(1,598)
Deferred Tax charge			15,983	(10,665)
Net Deferred Tax	9,625	25,608		

10. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit risk

The company trades only with recognised, credit worthy customers. All customers who wish to trade on credit are subject to credit verification checks. Customer balances are checked regularly to ensure that the risk of exposure to bad debts is minimised.

Liquidity risk

The company has given responsibility of liquidity risk management to the board who have formulated liquidity management tools to service this requirement.

Management of liquidity risk is achieved by monitoring budgets and forecasts and actual cash flows.

Capital management

The company and the board policy is to maintain a strong capital base so as to maintain creditor and market confidence. Capital is defined as total business equity. The company has given responsibility of capital management to the board who have formulated capital management tools to service this requirement. Management of the capital structure is achieved by monitoring budgets and forecasts and actual cash flows.

	2012	2011
	£	£
Issued share capital	1,700	1,700
Reserves	300	300
Retained profit	1,307,692	525,307
Total Equity	1,309,692	527,307

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

11. FINANCIAL INSTRUMENTS

	<i>Carrying amount</i>		<i>Fair value</i>	
	2012	2011	2012	2011
	£	£	£	£
Financial assets				
Cash and cash equivalents	550,857	1,119,363	550,857	1,119,363
Trade and other receivables	<u>1,405,749</u>	<u>493,027</u>	<u>1,405,749</u>	<u>493,027</u>
Financial liabilities				
Trade and other payables	<u>(1,073,281)</u>	<u>(1,290,728)</u>	<u>(1,073,281)</u>	<u>(1,290,728)</u>

Cash (and cash equivalents) and trade and other receivables (non-interest bearing) are not affected by fluctuations in interest or foreign exchange rates are therefore not considered to be sensitive to such movements

Trade and other payables are not interest bearing borrowing and are therefore not sensitive to movements in interest rates

12. RELATED PARTY TRANSACTIONS

Ultimate controlling party

The immediate and ultimate parent undertaking is Wellcom Group Limited, a company incorporated in Australia. Copies of the consolidated financial statements can be obtained from their website (www.wellcom.com.au)

Payable to related parties

	2012	2011
	£	£
Amounts due to parent undertaking (Current)	14,208	629,426
Amounts due to parent undertaking (Non Current)	<u>560,000</u>	<u>560,000</u>
	<u>574,208</u>	<u>1,189,426</u>

During the year the Wellcom London Limited was recharged travel, internet and other costs directly attributable to the company from the parent undertaking of £145,664 (2011 £133,595). During the year the Wellcom London Limited was charged a management fee from the parent undertaking of £144,000 (2011 £144,000). During the year Wellcom London Limited made payments to the parent undertaking, excluding dividends, of £905,082 (2011 £393,221). During the year the Wellcom London Limited received payments from the parent undertaking, excluding dividends, of £Nil (2011 £598,502). The Directors consider that all transactions were arms length. As at the year end the amount due to the parent undertaking was £574,208 (2011 £1,189,426).

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

13. INVENTORIES

	2012	2011
	£	£
Production supplies	21,834	17,834
Work in progress	60,258	24,687
Total inventories (at cost)	82,092	42,521

14. TRADE AND OTHER RECEIVABLES

	2012	2011
	£	£
Receivable from trade customers	1,395,804	477,970
Other receivables	9,945	15,057
	1,405,749	493,027

Amounts receivable from trade customers are non-interest bearing and are generally on 30-60 day terms

Movements in the provision for impairment of trade and other receivables were as follows

	2012	2011
	£	£
At 1 July 2011	24,412	32,382
Provision for doubtful debts	4,488	(7,970)
At 30 June 2012	28,900	24,412

15. CASH AND CASH EQUIVALENTS

	2012	2011
	£	£
Cash on hand	247	776
Cash at bank	550,610	1,118,587
	550,857	1,119,363

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

16. SHARE CAPITAL

Authorised share capital

	No.	2012 £	No	2011 £
Ordinary share capital	2,000	<u>2,000</u>	2,000	<u>2,000</u>

Issued share capital

	No.	2012 £	No	2011 £
Issued and fully paid				
Ordinary share capital	1,700	<u>1,700</u>	<u>1,700</u>	<u>1,700</u>

All issued share capital is classified as equity

17. RESERVES

	Capital redemption reserve
	£
At 1 July 2012	<u>300</u>
	Capital redemption reserve
	£
At 1 July 2011	<u>300</u>

18. TRADE AND OTHER PAYABLES

	2012 £	2011 £
Non current		
Payable to related parties	<u>560,000</u>	<u>560,000</u>
Current		
Payable to trade suppliers	499,073	101,302
Accrued liabilities	417,054	250,488
Tax payable	537,641	194,595
Payable to related parties	14,208	629,426
	<u>1,467,976</u>	<u>1,175,811</u>

WELLCOM LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2012

19. PROVISIONS

	<i>Dilapidations</i>		<i>Employee benefits</i>	
	2012	2011	2012	2011
	£	£	£	£
At 1 July	-	111,211	13,230	14,177
Increase / (Decrease) to existing provision	-	(111,211)	14,602	(947)
At 30 June	-	-	27,832	13,230
Current	-	-	27,832	13,230

Dilapidations provision

In May 2008 the company vacated premises on Dallington Street. A dilapidations provision was made for the year ended June 2008. The matter was settled with the Landlord for the year ended June 2011 for a sum of £22,500, plus fees of £17,285. The balance of the provision was released in the year ended 30 June 2011.

Employee benefits provision

The annual leave provision of £27,832 is calculated on the basis of the employees' remuneration including benefits and pension that have accrued in regards to holidays accrued but not taken, and therefore unpaid, as at 30 June 2012.

20. OPERATING LEASE COMMITMENTS

As lessee

	2012	2011
	£	£
Less than one year	448,364	448,364
Later than one year but less than five years	1,793,456	1,793,456
Later than five years	373,680	822,044
	<u>2,615,500</u>	<u>3,063,864</u>