

Report of the Directors and
Unaudited Financial Statements for the year ended 31 August 2006
for
SCARLET COURIERS (SLOUGH) LIMITED



SCARLET COURIERS (SLOUGH) LIMITED

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for the year ended 31 August 2006**

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SCARLET COURIERS (SLOUGH) LIMITED

**Company Information
for the year ended 31 August 2006**

DIRECTORS.

Mr J J Barber
Mr A R Barber

SECRETARY:

Mrs J A Barber

REGISTERED OFFICE:

Almac House
Church Lane
Bisley
Surrey
GU24 9DR

REGISTERED NUMBER

1658317 (England and Wales)

ACCOUNTANTS:

Acumen Chartered Accountants
Unit 4K 102 Lower Guildford Road
Knaphill
Woking
Surrey
GU21 2EP

SCARLET COURIERS (SLOUGH) LIMITED

**Report of the Directors
for the year ended 31 August 2006**

The directors present their report with the financial statements of the company for the year ended 31 August 2006

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of courier and express delivery services

DIRECTORS

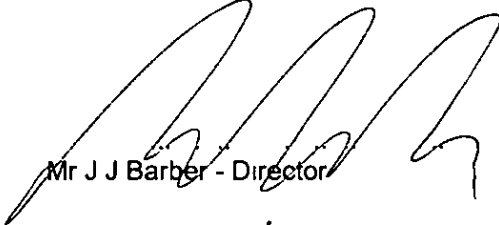
The directors during the year under review were

Mr J J Barber
Mr A R Barber

The directors holding office at 31 August 2006 did not hold any beneficial interest in the issued share capital of the company at 1 September 2005 or 31 August 2006

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

ON BEHALF OF THE BOARD.

A large, stylized handwritten signature in black ink, appearing to be 'JJB', is written over the printed name 'Mr J J Barber - Director'.

Mr J J Barber - Director

Date 25/06/2007.

SCARLET COURIERS (SLOUGH) LIMITED

**Profit and Loss Account
for the year ended 31 August 2006**

	Notes	2006 £	2005 £
TURNOVER		3,232,167	2,888,075
Cost of sales		<u>2,173,232</u>	<u>1,954,017</u>
GROSS PROFIT		1,058,935	934,058
Administrative expenses		<u>858,171</u>	<u>790,045</u>
OPERATING PROFIT	2	200,764	144,013
Interest receivable and similar income		<u>2,500</u>	<u>1,000</u>
		203,264	145,013
Interest payable and similar charges		<u>39,712</u>	<u>39,302</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		163,552	105,711
Tax on profit on ordinary activities	3	<u>32,037</u>	<u>24,226</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u><u>131,515</u></u>	<u><u>81,485</u></u>

The notes form part of these financial statements

SCARLET COURIERS (SLOUGH) LIMITED

**Statement of Total Recognised Gains and Losses
for the year ended 31 August 2006**

	2006 £	2005 £
PROFIT FOR THE FINANCIAL YEAR	131,515	81,485
Surplus on revaluation	17,795	13,900
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	149,310	95,385

The notes form part of these financial statements

SCARLET COURIERS (SLOUGH) LIMITED

**Balance Sheet
31 August 2006**

	Notes	2006 £	£	2005 £	£
FIXED ASSETS					
Tangible assets	5		138,230		154,781
Investments	6		75,445		57,650
			<u>213,675</u>		<u>212,431</u>
CURRENT ASSETS					
Debtors	7	924,286		887,394	
Cash at bank and in hand		1,083		1,350	
		<u>925,369</u>		<u>888,744</u>	
CREDITORS					
Amounts falling due within one year	8	916,075		898,662	
NET CURRENT ASSETS/(LIABILITIES)			<u>9,294</u>		<u>(9,918)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			222,969		202,513
PROVISIONS FOR LIABILITIES	11		1,223		6,075
NET ASSETS			<u>221,746</u>		<u>196,438</u>
CAPITAL AND RESERVES					
Called up share capital	12		100		100
Revaluation reserve	13		74,445		56,650
Profit and loss account	13		147,201		139,688
SHAREHOLDERS' FUNDS			<u>221,746</u>		<u>196,438</u>

The notes form part of these financial statements

SCARLET COURIERS (SLOUGH) LIMITED

**Balance Sheet - continued
31 August 2006**

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 August 2006

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2006 in accordance with Section 249B(2) of the Companies Act 1985

The directors acknowledge their responsibilities for

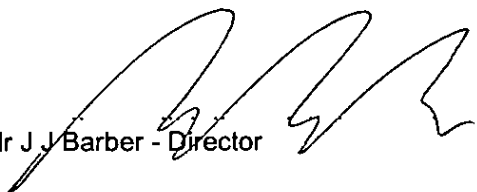
- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year 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 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board of Directors on
were signed on its behalf by

25/06/2007 and

Mr J. J. Barber - Director



The notes form part of these financial statements

SCARLET COURIERS (SLOUGH) LIMITED

Notes to the Financial Statements for the year ended 31 August 2006

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- at rates up to 33 33% straight line
Motor vehicles	- 25% on reducing balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Fixed asset investments

Investments are included at valuation less amounts written off. The investments have been revalued to market value by the directors

2 OPERATING PROFIT

The operating profit is stated after charging

	2006 £	2005 £
Depreciation - owned assets	<u>73,174</u>	<u>61,894</u>
Directors' emoluments and other benefits etc	<u>126,566</u>	<u>124,589</u>

3 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2006 £	2005 £
Current tax		
UK corporation tax	41,000	22,396
Overprovision for past years	<u>(4,111)</u>	<u>(112)</u>
Total current tax	36,889	22,284
Deferred tax	<u>(4,852)</u>	<u>1,942</u>
Tax on profit on ordinary activities	<u>32,037</u>	<u>24,226</u>

SCARLET COURIERS (SLOUGH) LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 August 2006**

4 DIVIDENDS

	2006 £	2005 £
Ordinary shares of £1 each		
Interim	<u>124,000</u>	<u>9,000</u>

5 TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 September 2005	238,015	130,381	-	368,396
Additions	<u>53,274</u>	<u>-</u>	<u>3,350</u>	<u>56,624</u>
At 31 August 2006	<u>291,289</u>	<u>130,381</u>	<u>3,350</u>	<u>425,020</u>
DEPRECIATION				
At 1 September 2005	119,746	93,870	-	213,616
Charge for year	<u>52,739</u>	<u>19,597</u>	<u>838</u>	<u>73,174</u>
At 31 August 2006	<u>172,485</u>	<u>113,467</u>	<u>838</u>	<u>286,790</u>
NET BOOK VALUE				
At 31 August 2006	<u>118,804</u>	<u>16,914</u>	<u>2,512</u>	<u>138,230</u>
At 31 August 2005	<u>118,269</u>	<u>36,511</u>	<u>-</u>	<u>154,780</u>

6 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST OR VALUATION	
At 1 September 2005	57,650
Revaluations	<u>17,795</u>
At 31 August 2006	<u>75,445</u>
NET BOOK VALUE	
At 31 August 2006	<u>75,445</u>
At 31 August 2005	<u>57,650</u>

SCARLET COURIERS (SLOUGH) LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 August 2006**

6 FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 August 2006 is represented by

	Unlisted investments £
Valuation in 2002	14,500
Valuation in 2003	18,500
Valuation in 2004	9,750
Valuation in 2005	13,900
Valuation in 2006	17,795
Cost	1,000
	<u>75,445</u>

If the investment was sold tax totalling £15,100 would be payable

7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £	2005 £
Trade debtors	889,591	846,091
Other debtors	1,238	593
Prepayments and accrued income	33,457	40,710
	<u>924,286</u>	<u>887,394</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £	2005 £
Bank loans and overdrafts	34,734	24,695
Trade creditors	569,382	678,255
Amounts owed to group undertakings	80,080	18,003
Tax	41,000	22,396
Social security and other taxes	36,332	34,341
VAT	122,012	111,515
Other creditors	9,618	3,913
Directors' current accounts	-	1,351
Accruals and deferred income	22,917	4,193
	<u>916,075</u>	<u>898,662</u>

9 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	2006 £	2005 £
Expiring		
Between one and five years	<u>70,791</u>	<u>67,509</u>

SCARLET COURIERS (SLOUGH) LIMITED

Notes to the Financial Statements - continued for the year ended 31 August 2006

10 SECURED DEBTS

The following secured debts are included within creditors

	2006 £	2005 £
Advances on sales invoices	<u>332,377</u>	<u>486,144</u>

11 PROVISIONS FOR LIABILITIES

	2006 £	2005 £
Deferred tax	<u>1,223</u>	<u>6,075</u>
		Deferred tax £
Balance at 1 September 2005		6,075
Movement in year		<u>(4,852)</u>
Balance at 31 August 2006		<u>1,223</u>

12 CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid Number	Class	Nominal value £1	2006 £	2005 £
100	Ordinary		<u>100</u>	<u>100</u>

13 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 September 2005	139,686	56,650	196,336
Profit for the year	131,515		131,515
Dividends	(124,000)		(124,000)
Surplus on revaluation	-	17,795	17,795
At 31 August 2006	<u>147,201</u>	<u>74,445</u>	<u>221,646</u>

14 ULTIMATE PARENT COMPANY

The ultimate parent company is Scarlet Group Limited

15 RELATED PARTY DISCLOSURES

Mr J Barber director of the company has provided its bankers with a personal guarantee not exceeding £30,000 in total in respect of the company's overdraft and an unlimited guarantee in respect of amounts advanced against factored debts

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
SCARLET COURIERS (SLOUGH) LIMITED**

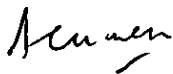
In accordance with the engagement letter dated 31 January 2007, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company for the year ended 31 August 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes from the accounting records and information and explanations you have given to us

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet as at 31 August 2006 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Acumen Chartered Accountants
Unit 4K 102 Lower Guildford Road
Knaphill
Woking
Surrey
GU21 2EP

Date 25 JUNE 2007