

GRADWEB LIMITED
REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2006



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For The Year Ended 31 January 2006

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COMPANY INFORMATION
For The Year Ended 31 January 2006

DIRECTORS:

J Butler
J Pratt
K Rostrup

SECRETARY:

J Butler

REGISTERED OFFICE:

Mill Reef House
Cheap Street
Newbury
Berkshire
RG14 5DD

REGISTERED NUMBER:

3907607 (England and Wales)

GRADWEB LIMITED

REPORT OF THE DIRECTORS For The Year Ended 31 January 2006

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of providing online and offline graduate recruitment support services to companies.

DIRECTORS

The directors during the year under review were:

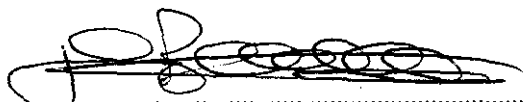
J Butler
J Pratt
K Rostrup

The beneficial interests of the directors holding office on 31 January 2006 in the issued share capital of the company were as follows:

	31.1.06	1.2.05
Ordinary £1 shares		
J Butler	500	500
J Pratt	-	-
K Rostrup	500	500
Non voting £1 shares		
J Butler	-	-
J Pratt	250	250
K Rostrup	-	-

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:



J Butler - Director

Date: 17/7/06

GRADWEB LIMITED

PROFIT AND LOSS ACCOUNT
For The Year Ended 31 January 2006

	Notes	2006 £	2005 £
TURNOVER		834,236	701,672
Cost of sales		<u>202,143</u>	<u>167,772</u>
GROSS PROFIT		632,093	533,900
Administrative expenses		<u>421,373</u>	<u>379,262</u>
OPERATING PROFIT	2	210,720	154,638
Interest receivable and similar income		<u>1,597</u>	<u>979</u>
		212,317	155,617
Interest payable and similar charges		<u>485</u>	<u>40</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		211,832	155,577
Tax on profit on ordinary activities	3	<u>40,503</u>	<u>30,296</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		171,329	125,281
RETAINED PROFIT FOR THE YEAR		<u>171,329</u>	<u>125,281</u>

The notes form part of these financial statements

GRADWEB LIMITED
BALANCE SHEET
31 January 2006

	Notes	2006 £	£	2005 £	£
FIXED ASSETS					
Tangible assets	5		17,684		22,254
CURRENT ASSETS					
Debtors	6	47,570		25,658	
Cash at bank and in hand		81,941		76,161	
		<u>129,511</u>		<u>101,819</u>	
CREDITORS					
Amounts falling due within one year	7	84,327		79,961	
NET CURRENT ASSETS			<u>45,184</u>		<u>21,858</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>62,868</u>		<u>44,112</u>
CREDITORS					
Amounts falling due after more than one year	8		(6,442)		(8,867)
PROVISIONS FOR LIABILITIES	10		-		(148)
NET ASSETS			<u>56,426</u>		<u>35,097</u>
CAPITAL AND RESERVES					
Called up share capital	11		1,250		1,250
Profit and loss account	12		55,176		33,847
SHAREHOLDERS' FUNDS			<u>56,426</u>		<u>35,097</u>

The notes form part of these financial statements

BALANCE SHEET - continued
31 January 2006

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

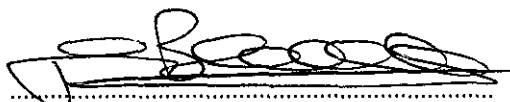
The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2006 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

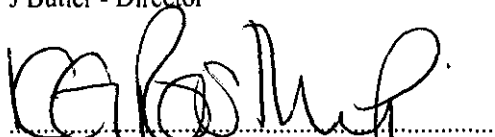
- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial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

ON BEHALF OF THE BOARD:



J Butler - Director



K Rostrup - Director

Approved by the Board on 17/7/06

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 January 2006

1. ACCOUNTING POLICIES**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

Turnover represents net invoiced sales of services, 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.

Fixtures and fittings	- 25% straight line
Motor vehicles	- 25% straight line
Computer equipment	- 33% straight line

Deferred tax

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2006	2005
	£	£
Depreciation - owned assets	11,893	25,078
Loss on disposal of fixed assets	-	247
Equipment hire	<u>18,270</u>	<u>18,095</u>
 Directors' emoluments and other benefits etc	 <u>36,500</u>	 <u>30,000</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	41,186	32,739
Deferred tax	<u>(683)</u>	<u>(2,443)</u>
Tax on profit on ordinary activities	<u>40,503</u>	<u>30,296</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 January 2006

3. TAXATION - continued**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2006 £	2005 £
Profit on ordinary activities before tax	<u>211,832</u>	<u>155,577</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2005 - 19%)	40,248	29,560
Effects of:		
Expenses not deductible for tax purposes	254	736
Capital allowances less than depreciation	<u>684</u>	<u>2,443</u>
Current tax charge	<u>41,186</u>	<u>32,739</u>

4. DIVIDENDS

	2006 £	2005 £
Ordinary shares of £1 each		
Interim	120,000	120,000
Non voting shares of £1 each		
Interim	<u>30,000</u>	<u>30,000</u>
	<u>150,000</u>	<u>150,000</u>

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 February 2005	18,567	11,844	52,425	82,836
Additions	-	-	7,323	7,323
Disposals	-	-	(8,329)	(8,329)
At 31 January 2006	<u>18,567</u>	<u>11,844</u>	<u>51,419</u>	<u>81,830</u>
DEPRECIATION				
At 1 February 2005	9,797	2,961	47,824	60,582
Charge for year	4,208	2,961	4,724	11,893
Eliminated on disposal	-	-	(8,329)	(8,329)
At 31 January 2006	<u>14,005</u>	<u>5,922</u>	<u>44,219</u>	<u>64,146</u>
NET BOOK VALUE				
At 31 January 2006	<u>4,562</u>	<u>5,922</u>	<u>7,200</u>	<u>17,684</u>
At 31 January 2005	<u>8,770</u>	<u>8,883</u>	<u>4,601</u>	<u>22,254</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 January 2006

5. TANGIBLE FIXED ASSETS - continued

Included within the fixed assets is a motor vehicle held under hire purchase with a net book value of £5,922 and a depreciation charge this year of £2,961.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005
	£	£
Trade debtors	39,684	18,307
Other debtors	7,351	7,351
Deferred tax asset	535	-
	<u>47,570</u>	<u>25,658</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005
	£	£
Hire purchase contracts	2,425	2,425
Trade creditors	6,139	16,914
Tax	41,186	32,739
<i>Social security and other taxes</i>	31,077	24,013
Other creditors	-	531
Directors' current accounts	-	339
Accrued expenses	3,500	3,000
	<u>84,327</u>	<u>79,961</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2006	2005
	£	£
Hire purchase contracts	<u>6,442</u>	<u>8,867</u>

9. OPERATING LEASE COMMITMENTS

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

	2006	2005
	£	£
Expiring:		
Within one year	<u>16,444</u>	<u>17,249</u>

10. PROVISIONS FOR LIABILITIES

	2005
	£
Deferred tax	<u>148</u>

GRADWEB LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 January 2006

10. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 February 2005	148
Movement in year	(683)
Balance at 31 January 2006	<u>(535)</u>

11. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2006 £	2005 £
1,000	Ordinary	£1	1,000	1,000
250	Non voting	£1	250	250
			<u>1,250</u>	<u>1,250</u>

12. RESERVES

	Profit and loss account £
At 1 February 2005	33,847
Retained profit for the year	171,329
Dividends	<u>(150,000)</u>
At 31 January 2006	<u>55,176</u>

13. TRANSACTIONS WITH DIRECTORS

J Butler and K Rostrup, both directors of the company, were owed £nil and £nil respectively by the company at the year end (2005: £339 and £nil respectively).