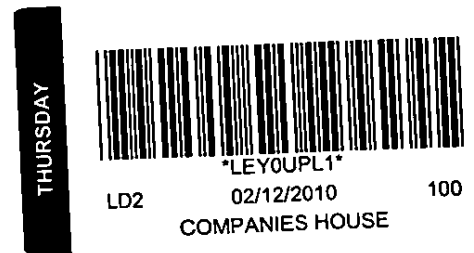


COMPANY REGISTRATION NUMBER 935140

PHOTOLIBRARY GROUP NO 2 LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 JUNE 2010



HEXTALL MEAKIN
Chartered Accountants & Statutory Auditor
Argon House
Argon Mews
Fulham Broadway
London
SW6 1BJ

PHOTOLIBRARY GROUP NO 2 LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

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PHOTOLIBRARY GROUP NO 2 LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2010

The directors present their report and the financial statements of the company for the year ended 30 June 2010

PRINCIPAL ACTIVITIES

The company was dormant throughout the year ended 30 June 2008

DIRECTORS

The directors who served the company during the year were as follows

G B Parker
T J Moore
J Cape

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company 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,
- 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 are sufficient to show and explain the company's transactions and 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.

PHOTOLIBRARY GROUP NO 2 LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2010

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

AUDITOR

Hextall Meakin are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
Argon House
Argon Mews
Fulham Broadway
London
SW6 1BJ

Signed on behalf of the directors



J N Cape
Director

Approved by the directors on 30 September 2010

Company Registration Number 935140

PHOTOLIBRARY GROUP NO 2 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PHOTOLIBRARY GROUP NO 2 LIMITED

YEAR ENDED 30 JUNE 2010

We have audited the financial statements of Photolibrary Group No 2 Limited for the year ended 30 June 2010 on pages 5 to 8. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 to 2, 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 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 (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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 directors, and the overall presentation of the financial statements.

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 2010 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of 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.

PHOTOLIBRARY GROUP NO 2 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PHOTOLIBRARY GROUP NO 2 LIMITED *(continued)*

YEAR ENDED 30 JUNE 2010

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 prepare the financial statements and the directors' report in accordance with the small companies regime



Argon House
Argon Mews
Fulham Broadway
London
SW6 1BJ

30 September 2010

MR T HEXTALL (Senior Statutory
Auditor)
For and on behalf of
HEXTALL MEAKIN
Chartered Accountants
& Statutory Auditor

PHOTOLIBRARY GROUP NO 2 LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2010

	Note	2010 £	2009 £
TURNOVER		—	—
OPERATING PROFIT	2	—	—
Inter company balance written off	3	(339,712)	—
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(339,712)	—
Tax on loss on ordinary activities		—	—
LOSS FOR THE FINANCIAL YEAR		<u>(339,712)</u>	<u>—</u>

The notes on pages 7 to 8 form part of these financial statements

PHOTOLIBRARY GROUP NO 2 LIMITED


BALANCE SHEET

30 JUNE 2010

	Note	2010 £	2009 £
CURRENT ASSETS			
Debtors	4	—	339,712
TOTAL ASSETS		—	339,712
CAPITAL AND RESERVES			
Called-up equity share capital	6	22,594	22,594
Share premium account	7	410,055	410,055
Profit and loss account	8	(432,649)	(92,937)
SHAREHOLDERS' FUNDS		—	339,712

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 30 September 2010, and are signed on their behalf by


N. Cape
Director

The notes on pages 7 to 8 form part of these financial statements

PHOTOLIBRARY GROUP NO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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.

2. OPERATING PROFIT

Operating profit is stated after crediting

	2010 £	2009 £
Directors' remuneration	—	—

The remuneration of the auditors was borne by the parent company in this financial year.

3. INTER COMPANY LOANS WRITTEN OFF

	2010 £	2009 £
Inter company loans written off	339,712	—

4. DEBTORS

	2010 £	2009 £
Amounts owed by group undertakings	—	339,712

PHOTOLIBRARY GROUP NO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

5. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption allowed by FRS 8 paragraph 3(c) and has not therefore made any disclosure of transactions with group companies

6. SHARE CAPITAL

Authorised share capital.

	2010	2009
	£	£
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2010		2009	
	No	£	No	£
22,594 Ordinary shares of £1 each	<u>22,594</u>	<u>22,594</u>	<u>22,594</u>	<u>22,594</u>

7. SHARE PREMIUM ACCOUNT

There was no movement on the share premium account during the financial year

8. PROFIT AND LOSS ACCOUNT

	2010	2009
	£	£
Balance brought forward	(92,937)	(92,937)
Loss for the financial year	(339,712)	-
Balance carried forward	<u>(432,649)</u>	<u>(92,937)</u>

9. ULTIMATE PARENT COMPANY

The company's immediate parent company is Photolibrary Group Limited, a company registered in England and Wales

The company's ultimate parent company is Photolibrary Pty Limited, a company registered in Australia. Copies of the group accounts of Photolibrary Pty Limited are available from Level 11, 54 Miller Street, North Sydney, NSW 2060, Australia

PHOTOLIBRARY GROUP NO 2 LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 30 JUNE 2010

**The following page does not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 3 to 4**

PHOTOLIBRARY GROUP NO 2 LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2010

	2010	2009
	£	£
OVERHEADS	—	—
Amounts written off investments	(339,712)	—
LOSS ON ORDINARY ACTIVITIES	<u>(339,712)</u>	<u>—</u>