

SBS Worldwide Limited

Company No. 1739816



Amending Consolidated Financial Statements

For the year ended

30 June 2007



SBS Worldwide Limited

Company Information

Directors

S Black
S Walker
N Walker
M C Clark

Secretary

M C Clark

Registered Office

SBS Cargo Centre
Anchor Boulevard
Crossways Business Park
Dartford
Kent
DA2 6SB

Bankers

Barclays Bank Plc
PO Box 544
Lombard Street
London
EC3V 9EX

Auditors

Kingston Smith LLP
Middlesex House
800 Uxbridge Road
Hayes
Middlesex
UB4 0RS

SBS Worldwide Limited

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SBS Worldwide Limited

Directors' Report

For the year ended 30 June 2007

The directors have pleasure in presenting their report and financial statements for the year ended 30 June 2007

Principal activities

The principal activities of the company and group throughout the year were those of shipping and forwarding agents

The results for the year and financial position at the balance sheet date were considered satisfactory by the directors with the group experiencing strong sales growth and maintaining a reasonable margin in what is a very tough market place

The directors look forward to continuing growth in the future by sales growth of at least 10% and maintaining margins at current levels

The company limits its risk exposure by operating in a diverse range of manufacturing and retail sectors and reliance is not placed on any one specific customer. It also buys a range of services through over 1,500 suppliers each month, both in the UK and Worldwide

The group amalgamated its media subsidiary Bookshippers Worldwide Inc with SBS Worldwide Inc on the 1 July 2006 to enable the group to reduce unnecessary overhead and duplication of a number of processes

	2007	2006
	£'000	£'000
Operating Performance		
Turnover	42,643	39,134
Gross profit	11,361	10,186
Operating profit	797	319
Interest costs	267	91
Profit before tax	<u>575</u>	<u>247</u>
Key Performance Indicators	%	%
Sales growth	8.97	13.50
Gross margin return	26.64	26.02
Return on sales	1.35	0.60
Return on capital employed	<u>36.45</u>	<u>16.70</u>

Results and dividend

The results of the group for the year are set out on page 4

The company do not recommend the payment of a dividend during the year under review

Directors

The following directors have held office since 1 July 2006

S Black
S Walker
N Walker
M C Clark

SBS Worldwide Limited

Directors' Report (continued)

For the year ended 30 June 2007

Directors' interests

The directors who served the company during the year together with their interests (including family interests) in the shares of the company, at the beginning and end of the year, were as follows

	Ordinary shares of £1 each	
	At 30 June 2007	At 1 July 2006
S Black	15,000	15,000
S Walker	32,998	32,998
N Walker	27,002	27,002
M C Clark	-	-

	Deferred shares of £1 each	
	At 30 June 2007	At 1 July 2006
S Black	35,995	35,995
S Walker	-	-
N Walker	-	-
M C Clark	-	-

M C Clark has no interest in the shares of any group company

SBS Worldwide Limited has an interest in group undertakings as detailed in Note 11(b) S Black, S Walker and N Walker have an indirect interest in these subsidiary companies as a result of their shareholdings in SBS Worldwide Limited

Auditors

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 1985 it is proposed that they be re-appointed auditors to the group for the ensuing year

Directors' responsibilities

The directors are responsible for preparing financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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

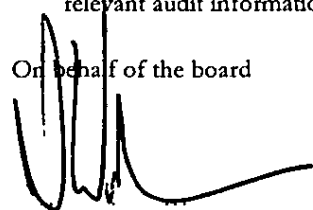
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Statement of disclosure to auditor

- (a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are aware
- (b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board



N Walker
Director

Dated

10/5/08.

SBS Worldwide Limited
Independent Auditors' Report
To the Shareholders of SBS Worldwide Limited

We have audited the financial statements of SBS Worldwide Limited for the year ended 30 June 2007 which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Recognised Gains and Losses, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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 the directors and auditors

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether, in our opinion, the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within.

Basis of audit opinion

We conducted our audit in accordance with the International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's and the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs and the group's affairs as at 30 June 2007 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985,
- the information given in the directors' report is consistent with the financial statements.

Kingston Smith LLP

Kingston Smith LLP

Chartered Accountants
and Registered Auditors

Dated *10 May 2008*

Middlesex House
800 Uxbridge Road
Hayes
Middlesex
UB4 0RS

SBS Worldwide Limited
Consolidated Profit and Loss Account
For the year ended 30 June 2007

	Note	2007 £	2006 £
Turnover	2	42,642,909	39,134,354
Cost of sales		<u>(31,281,655)</u>	<u>(28,948,188)</u>
Gross profit		11,361,254	10,186,166
Administrative expenses		<u>(10,564,603)</u>	<u>(9,866,997)</u>
Operating profit	3	796,651	319,169
Interest receivable and similar income	5	45,764	19,011
Interest payable and similar charges	6	<u>(267,446)</u>	<u>(90,713)</u>
Profit on ordinary activities before taxation		574,969	247,467
Taxation	7	<u>(297,643)</u>	<u>(81,591)</u>
Profit for the year	15 (a)	<u><u>277,326</u></u>	<u><u>165,876</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing activities

SBS Worldwide Limited
Consolidated Statement of Recognised Gains and Losses
For the year ended 30 June 2007

	2007 £	2006 £
Profit for the financial year after taxation	277,326	165,876
Currency translation differences on foreign currency net investments	(5,481)	(668)
Total gains and losses relating to the year	<u>271,845</u>	<u>165,208</u>

SBS Worldwide Limited

Consolidated Balance Sheet at 30 June 2007

	Notes	2007	2006
		£	£
Fixed Assets			
Tangible assets	10 (a)	561,404	491,281
Investments	11 (a)	<u>112</u>	<u>112</u>
		561,516	491,393
Current Assets			
Debtors	12	7,433,360	8,183,052
Cash at bank and in hand		<u>1,359,575</u>	<u>575,964</u>
		8,792,935	8,759,016
Creditors Amounts falling due within one year	13	<u>(7,168,607)</u>	<u>(7,336,410)</u>
Net Current Assets		<u>1,624,328</u>	<u>1,422,606</u>
Total Assets Less Current Liabilities		<u>2,185,844</u>	<u>1,913,999</u>
Net Assets		<u><u>2,185,844</u></u>	<u><u>1,913,999</u></u>

Capital and Reserves

Called up share capital	15 (a)	120,479	120,479
Share premium account	15 (a)	7,500	7,500
Other reserves	15 (a)	11	11
Capital redemption reserve	15 (a)	89,521	89,521
Profit and loss account	15 (a)	<u>1,968,333</u>	<u>1,696,488</u>
Shareholders' Funds (non equity interests included)		<u><u>2,185,844</u></u>	<u><u>1,913,999</u></u>

Approved by the Board and authorised for issue on

N Walker
Director

10/5/08
S. Walker
Director

SBS Worldwide Limited

Company Balance Sheet at 30 June 2007

	Notes	2007	2006
		£	£
Fixed Assets			
Tangible assets	10 (b)	360,579	334,884
Investments	11 (b)	<u>117</u>	<u>117</u>
		360,696	335,001
Current Assets			
Debtors	12	6,796,293	6,484,025
Cash at bank and in hand		<u>1,223,090</u>	<u>519,489</u>
		8,019,383	7,003,514
Creditors - Amounts falling due within one year	13	<u>(5,971,890)</u>	<u>(5,485,853)</u>
Net Current Assets		<u>2,047,493</u>	<u>1,517,661</u>
Total Assets Less Current Liabilities		2,408,189	1,852,662
Net Assets		<u><u>2,408,189</u></u>	<u><u>1,852,662</u></u>

Capital and Reserves

Called up share capital	15 (b)	120,479	120,479
Share premium account	15 (b)	7,500	7,500
Capital redemption reserve	15 (b)	89,521	89,521
Profit and loss account	15 (b)	<u>2,190,689</u>	<u>1,635,162</u>
Shareholders' Funds (non-equity interests included)		<u><u>2,408,189</u></u>	<u><u>1,852,662</u></u>

Approved by the Board and authorised for issue on

N Walker
Director

10/5/08

S. Walker
Director

SBS Worldwide Limited
Consolidated Cash Flow Statement
For the year ended 30 June 2007

	2007		2006	
	£	£	£	£
Net Cash Inflow from Operating Activities (Note 1)		1,869,903		560,983
Return on Investments and Servicing of Finance				
Interest received	45,764		19,011	
Interest paid	(53,107)		(53,613)	
Interest element of finance lease rentals	-		(40)	
Net Cash Outflow from Returns on Investments and Servicing of Finance		(7,343)		(34,642)
Taxation paid		(137,366)		(151,961)
Capital Expenditure and Financial Investment				
Payments to acquire tangible fixed assets	(310,557)		(259,350)	
Receipts from sales of tangible fixed assets	-		4,431	
Net Cash Outflow from Investing Activities		(310,557)		(254,919)
Equity dividends paid		-		-
Cash Inflow before Financing		1,414,637		119,461
Financing				
New bank loan	150,083		236,957	
Repayment of loan	(781,109)		(71,865)	
Capital element of finance lease rentals	-		(2,624)	
Net Cash (Outflow)/Inflow from Financing		(631,026)		162,468
Increase in cash		<u>783,611</u>		<u>281,929</u>

SBS Worldwide Limited

Notes to the Consolidated Cash Flow Statement For the year ended 30 June 2007

1	Reconciliation of Operating Profit to net cash inflow from Operating Activities				2007 £	2006 £
	Operating profit				796,651	319,169
	Depreciation of tangible fixed assets				226,477	236,504
	Decrease/(Increase) in debtors				681,996	(1,545,422)
	Increase in creditors				164,779	1,550,135
	Loss on sale of tangible assets				-	597
	Net cash inflow from operating activities				<u>1,869,903</u>	<u>560,983</u>
2	Analysis of changes in Net (Debt)/Funds	At 1 July 2006 £	Cash flows £	Non-cash changes £	Exchange movements £	At 30 June 2007 £
	Cash at bank and in hand	575,964	783,611	-	-	1,359,575
	Debt due within one year	<u>(644,013)</u>	<u>639,124</u>	<u>-</u>	<u>-</u>	<u>(4,889)</u>
	Net (Debt)/Funds	<u>(68,049)</u>	<u>1,422,735</u>	<u>-</u>	<u>-</u>	<u>1,354,686</u>
3	Reconciliation of cash flow to movement in net funds/(debt)				2007 £	2006 £
	Increase in cash during the year				783,611	281,929
	Loan repayments				781,109	-
	New bank loan				(150,083)	-
	Capital element of finance lease rentals				-	(162,468)
	Change in net debt resulting from cash flows				<u>1,414,637</u>	<u>119,461</u>
	Exchange movements				8,098	7,835
	Net (debt) at 1 July 2006				<u>(68,049)</u>	<u>(195,345)</u>
	Net funds/(debt) At 30 June 2007				<u>1,354,686</u>	<u>(68,049)</u>

SBS Worldwide Limited

Notes to the Consolidated Financial Statements For the year ended 30 June 2007

1 Principal Accounting Policies

Accounting basis and standards

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. There were no changes from the previous year.

Turnover

Turnover represents the amounts receivable for services provided net of value added tax and trade discounts.

Basis of consolidation

The consolidated profit and loss account and balance sheet consist of the financial statements of the parent company and its subsidiary undertakings. Inter-group sales and profits are eliminated fully on consolidation.

Investments

Fixed asset investments are stated at cost less provision for impairment.

Depreciation

Depreciation on fixed assets is provided at rates estimated to write off the cost, less estimated residual value of each asset, over its expected useful life, as follows -

Leasehold improvements	Straight line over the life of the lease, between 3 and 20 years
Fixtures and fittings	20% reducing balance
Computer equipment	25% straight line

Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the group.

Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on a straight line basis, over the lease term.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are translated into sterling at the rate ruling on the date of transaction. Gains and losses arising from trading transactions are disclosed as part of 'administration expenses' and are taken into account in arriving at the operating profit. Those gains and losses arising from arrangements which are considered as financing are disclosed separately as part of interest payable and similar charges.

The financial statements of foreign subsidiaries are translated into sterling at the closing rates of exchange and the differences arising from the translation of the opening net investment in subsidiaries at the closing rate are taken directly to reserves.

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued) For the year ended 30 June 2007

Deferred taxation

In accordance with FRS19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date. The deferred tax balance has not been discounted.

Pensions

The group operates a money purchase pension scheme for the directors and certain staff. Contributions are charged to the profit and loss account as they are paid.

2 Turnover

The turnover and pre-tax result are mainly attributable to the group's principal activity.

The directors are of the opinion that it would be prejudicial to the interests of the group to disclose the values of turnover attributable to each separate geographical market.

3 Operating Profit

	Group 2007 £	Group 2006 £
The operating profit is stated after charging/(crediting)		
Depreciation on tangible fixed assets	226,477	229,445
Audit fee		
- group	57,341	56,876
- company	34,000	33,000
Auditors remuneration - non-audit services	37,375	30,006
Operating leases		
- Other	649,232	652,757
(Profit)/loss on foreign exchange transactions	(22,275)	12,547
Loss on sale of fixed assets	-	597

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued) For the year ended 30 June 2007

4 Employee information	Group 2007	Group 2006
Staff costs, including directors' remuneration, were as follows	£	£
Wages and salaries	6,213,015	5,840,254
Social security costs	563,989	574,244
Other pension costs	164,484	139,108
	<u>6,941,488</u>	<u>6,553,606</u>

The average monthly number of employees, including directors, during the year was as follows -

	Group 2007	Group 2006
Office and Management	<u>188</u>	<u>183</u>

Directors' emoluments	Group 2007	Group 2006
	£	£
Aggregate emoluments	713,291	786,318
Pension contributions	<u>61,340</u>	<u>38,896</u>
	<u>774,631</u>	<u>825,214</u>

The number of directors for whom retirement benefits are accruing under the money purchase pension scheme amounted to 3 (2006 4)

Money purchase pension contributions paid in respect of the highest paid director were £25,320 (2006 £14,500)

Included in the above are emoluments, excluding pension contributions, paid to

	Group 2007	Group 2006
	£	£
Highest paid director	<u>305,034</u>	<u>293,415</u>

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued) For the year ended 30 June 2007

5	Interest receivable	Group 2007 £	Group 2006 £
	Bank interest	<u>45,764</u>	<u>19,011</u>
6	Interest payable	Group 2007 £	Group 2006 £
	Interest payable on bank loans and overdrafts wholly repayable within 5 years	51,848	53,613
	Interest on other loans	1,259	-
	Interest on finance leases and hire purchase contracts	-	40
	Loss on foreign exchange	<u>214,339</u>	<u>37,060</u>
		<u>267,446</u>	<u>90,713</u>
7	Taxation	Group 2007 £	Group 2006 £
(a)	Analysis of charges for the year		
	Current year tax		
	UK corporation tax	294,233	137,366
	Foreign tax	-	(46,249)
	Current tax charge	<u>294,233</u>	<u>91,117</u>
	Deferred tax		
	Deferred tax charge for year	4,060	3,985
	Adjustment for prior years	(650)	(13,511)
		<u>297,643</u>	<u>81,591</u>
(b)	Factors effecting the tax charge for the year		
	The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 30%		
	The differences are explained below	Group 2007 £	Group 2006 £
	Profit on ordinary activities before tax	<u>574,969</u>	<u>247,467</u>
	Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	172,491	74,240
	Effects of		
	Expenses not deductible for tax purposes	41,116	29,938
	Depreciation	67,943	48,478
	Capital allowances	(52,006)	(51,299)
	Other tax differences	<u>64,689</u>	<u>(10,240)</u>
	Current tax charge for the year	<u>294,233</u>	<u>91,117</u>

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued) For the year ended 30 June 2007

8 Results of parent company

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company made a profit after taxation in the year of £555,527 (2006 £229,682)

9 Dividends

No dividends were paid or proposed in the current or previous year

10 Tangible Assets - Group (a)

	Leasehold Improve- ments £	Computer equipment £	Fixtures and fittings £	Total £
Cost				
At 1 July 2006	53,615	1,621,756	764,478	2,439,849
Difference on exchange	(850)	(29,327)	(14,223)	(44,400)
Additions	-	216,117	94,440	310,557
At 30 June 2007	52,765	1,808,546	844,695	2,706,006
Depreciation				
At 1 July 2006	48,645	1,337,855	562,068	1,948,568
Difference on exchange	(660)	(19,804)	(9,979)	(30,443)
Charge for the year	4,294	166,916	55,267	226,477
At 30 June 2007	52,279	1,484,967	607,356	2,144,602
Net Book Value				
At 30 June 2007	486	323,579	237,339	561,404
At 30 June 2006	4,970	283,901	202,410	491,281

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued)

For the year ended 30 June 2007

10 Tangible Assets - Company (b)

	Leasehold Improve- ments £	Computer equipment £	Fixtures and fittings £	Total £
Cost				
At 1 July 2006	44,110	1,293,681	605,319	1,943,110
Additions	-	136,424	50,029	186,453
At 30 June 2007	44,110	1,430,105	655,348	2,129,563
Depreciation				
At 1 July 2006	41,259	1,116,569	450,398	1,608,226
Charge for the year	2,851	117,073	40,834	160,758
At 30 June 2007	44,110	1,233,642	491,232	1,768,984
Net Book Value				
At 30 June 2007	-	196,463	164,116	360,579
At 30 June 2006	2,851	177,112	154,921	334,884

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued) For the year ended 30 June 2007

11 Fixed Asset Investments - Group

(a)

Listed
investments
£

Cost

At 1 July 2006 and 30 June 2007

112

11 Fixed Asset Investment - Company

(b)

	Listed investments £	Shares in group undertaking £	Total £
--	----------------------------	--	------------

Cost

At 1 July 2006 and 30 June 2007

112

5

117

Net Book Value

At 30 June 2007

112

5

117

At 30 June 2006

112

5

117

The company holds more than 20% of ordinary share capital of the following companies

Name	Country of Incorporation	Class of share	Proportion held	Nature of business
S Black (Shipping) Limited	England and Wales	Ordinary	100%	Dormant
Commercial Transport International (Europe) Limited	England and Wales	Ordinary	50%	Dormant
SBS Worldwide Inc	U S A	Ordinary	100%	Shipping and forwarding
Bookshippers Worldwide Inc	U S A	Ordinary	100%	Dormant

Voting rights for each subsidiary are in line with the percentage held

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and Reserves 2007 £	Loss for the year 2007 £
S Black (Shipping) Limited	2	-
Commercial Transport International (Europe) Limited	2	-
SBS Worldwide Inc	(215,085)	(277,464)
Bookshippers Worldwide Inc	(1,042)	-

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued) For the year ended 30 June 2007

12 Debtors	Group 2007 £	Company 2007 £	Group 2006 £	Company 2006 £
Trade debtors	6,810,584	5,260,256	7,253,618	5,834,330
Amounts owed by group undertakings	-	1,051,050	-	-
Other debtors	256,351	212,952	347,859	287,581
Prepayments and accrued income	366,425	272,035	581,575	362,114
	<u>7,433,360</u>	<u>6,796,293</u>	<u>8,183,052</u>	<u>6,484,025</u>

Amounts falling due after more than one year and included in the debtors above are

	2007 £	2006 £
Other debtors	<u>21,744</u>	<u>49,938</u>

13 Creditors - Amounts falling due within one year	Group 2007 £	Company 2007 £	Group 2006 £	Company 2006 £
Bank loans and overdrafts	4,889	-	644,013	-
Trade creditors	6,384,273	4,915,384	5,825,312	4,385,491
Amounts owed to group undertakings	-	277,101	-	233,277
Corporation tax	294,233	294,233	137,366	137,366
Social security and other taxes	122,014	122,014	129,409	129,409
Accruals and deferred income	363,198	363,158	600,310	600,310
	<u>7,168,607</u>	<u>5,971,890</u>	<u>7,336,410</u>	<u>5,485,853</u>

14 Deferred tax asset

Movements on the deferred taxation asset are as follows -

	2007 £	2006 £
At 1 July 2006	25,630	16,269
Adjustment for prior year	-	13,511
Difference on exchange	174	(165)
Current year deferred tax charge (Note 7)	<u>(4,060)</u>	<u>(3,985)</u>
At 30 June 2007	<u>21,744</u>	<u>25,630</u>
	2007 £	2006 £
Depreciation in excess of capital allowances	<u>21,744</u>	<u>25,630</u>

The deferred tax asset is included in other debtors in both years

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued) For the year ended 30 June 2007

15 Shareholders' Funds - Group

(a)

2007	Share premium account £	Other reserves £	Capital redemption reserve £	Profit and loss account £	Share capital £	Total £
At 1 July 2006	7,500	11	89,521	1,696,488	120,479	1,913,999
Retained profit for the year	-	-	-	277,326	-	277,326
Foreign exchange difference	-	-	-	(5,481)	-	(5,481)
At 30 June 2007	7,500	11	89,521	1,968,333	120,479	2,185,844

	2007 £	2006 £
The share capital comprises		
Authorised		
190,000 Ordinary shares of £1 each	190,000	190,000
60,000 Deferred shares of £1 each	60,000	60,000
	<u>250,000</u>	<u>250,000</u>
Called up, allotted and fully paid		
75,000 Ordinary shares of £1 each	75,000	75,000
45,479 Deferred shares of £1 each	45,479	45,479
	<u>120,479</u>	<u>120,479</u>

The deferred shares have no dividend, voting or capital rights

The movements in shareholders' funds in the previous year are set out below

2006	Share premium account £	Other reserves £	Capital redemption reserve £	Profit and loss account £	Share capital £	Total £
At 1 July 2005	7,500	11	89,521	1,531,280	120,479	1,748,791
Retained profit for the year	-	-	-	165,876	-	165,876
Foreign exchange difference	-	-	-	(668)	-	(668)
At 30 June 2006	7,500	11	89,521	1,696,488	120,479	1,913,999

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued) For the year ended 30 June 2007

15 Shareholders' Funds - Company

(b)

2007	Share premium account £	Capital redemption reserve £	Profit and loss account £	Share capital £	Total £
At 1 July 2006	7,500	89,521	1,635,162	120,479	1,852,662
Profit for the year	-	-	555,527	-	555,527
At 30 June 2007	<u>7,500</u>	<u>89,521</u>	<u>2,190,689</u>	<u>120,479</u>	<u>2,408,189</u>

The share capital comprises	2007 £	2006 £
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Authorised

190,000 Ordinary shares of £1 each	190,000	190,000
60,000 Deferred shares of £1 each	60,000	60,000
	<u>250,000</u>	<u>250,000</u>

Called up, allotted and fully paid

75,000 Ordinary shares of £1 each	75,000	75,000
45,479 Deferred shares of £1 each	45,479	45,479
	<u>120,479</u>	<u>120,479</u>

The movements in shareholders' funds in the previous year are set out below

2006	Share premium account £	Capital redemption reserve £	Profit and loss account £	Share capital £	Total £
At 1 July 2005	7,500	89,521	1,405,480	120,479	1,622,980
Profit for the year	-	-	229,682	-	229,682
At 30 June 2006	<u>7,500</u>	<u>89,521</u>	<u>1,635,162</u>	<u>120,479</u>	<u>1,852,662</u>

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued) For the year ended 30 June 2007

16 Reconciliation of Movements on Shareholder's Funds	Group 2007 £	Company 2007 £	Group 2006 £	Company 2006 £
Reconciliation of movements on shareholder's funds				
Profit for the year	277,326	555,527	165,876	229,682
Foreign exchange differences	(5,481)	-	(668)	-
	<u>271,845</u>	<u>555,527</u>	<u>165,208</u>	<u>229,682</u>
Opening shareholders' funds	<u>1,913,999</u>	<u>1,852,662</u>	<u>1,748,791</u>	<u>1,622,980</u>
Closing shareholders' funds	<u><u>2,185,844</u></u>	<u><u>2,408,189</u></u>	<u><u>1,913,999</u></u>	<u><u>1,852,662</u></u>
 Analysis of shareholders' funds	 Group 2007 £	 Company 2007 £	 Group 2006 £	 Company 2006 £
Non equity interest	45,479	45,479	45,479	45,479
Equity interest	<u>2,140,365</u>	<u>2,362,710</u>	<u>1,868,520</u>	<u>1,807,183</u>
	<u><u>2,185,844</u></u>	<u><u>2,408,189</u></u>	<u><u>1,913,999</u></u>	<u><u>1,852,662</u></u>

17 Financial Commitments

At 30 June 2007, the group had the following commitments

Annual commitments under non-cancellable operating leases as follows:-

	Group 2007	Group 2006
	Land and buildings	Land and buildings
Expiry date	£	£
Within 1 year	185,059	-
Between 2 and 5 years	244,252	451,707
In more than 5 years	<u>194,000</u>	<u>194,000</u>

18 Ultimate Controlling Party

The directors consider that there is no ultimate controlling party

SBS Worldwide Limited

Notes to the Consolidated Financial Statements (continued) For the year ended 30 June 2007

19 Transaction with Directors

The following directors had interest free loans during the year. These loans, included within other debtors, are as follows

	Amounts outstanding		Maximum
	2007	2006	in year
	£	£	£
S Walker	8,935	7,860	8,935
N Walker	8,994	35,809	35,809

The banking facilities of the group are secured by a debenture dated 13 March 2001 held by Barclays Bank Plc and life policies on two of the directors, Mr N Walker and Mr S Walker

20 Related Party Transactions

During the year SBS Worldwide Limited made sales of £559,721 (2006 £504,496) to S Black Limited, a company in which Mr S Black, a director, has a material interest. At the year end there was a balance owed of £109,277 (2006 £58,196)