

COMPANY REGISTRATION NUMBER 2553654

BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2006



BUSINESS IN FOCUS LIMITED

COMPANY LIMITED BY GUARANTEE

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2006

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BUSINESS IN FOCUS LIMITED

COMPANY LIMITED BY GUARANTEE

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr J P Bevan
Mr G Bray
Mr G D Evans
Cllr M R Harvey
Mr S D Hudd
Mr D R H James
Mr D W C Morgan (Chairman)
Mr J P Sheppard
Mr W D Snowdon
Mr K Thomas
Mr R G Thomas
Mr T Mansell
Cllr D R Bevan
Cllr M D Stephens
Cllr R D L Burns
Mr C Grace
Mr P S Kerkin
Mr R James

Company secretary

Eversecretary Ltd

Registered office

Enterprise Centre
Bryn Road
Tondy
Bridgend
CF32 9BS

Auditor

Clay Shaw Thomas Limited
Chartered Accountants
& Registered Auditors
Ty Atebion
Bocam Park
Bridgend
CF35 5LJ

Bankers

National Westminster Bank Plc
28 Adare Street
Bridgend
CF31 1EN

Solicitors

Geldards
1 Dumfries House
Dumfries Place
Cardiff

Eversheds
1 Callaghan Square
Cardiff
CF10 5BT

BUSINESS IN FOCUS LIMITED

COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2006

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2006.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company is an approved enterprise agency. Its principal objectives are to stimulate and promote the creation of new enterprises in the Bridgend, Rhondda Cynon Taff, Cardiff and the Vale of Glamorgan Local Authority areas and to provide assistance, whether financial or otherwise, to help new and existing SME's expand within these areas

The directors are satisfied with the current year results and are optimistic for the future trading performance.

RESULTS

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

DIRECTORS

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

Mr J P Bevan
Mr G Bray
Mr G D Evans
Cllr M R Harvey
Mr S D Hudd
Mr D R H James
Mr D W C Morgan (Chairman)
Mr J P Sheppard
Mr W D Snowdon
Mr K Thomas
Mr R G Thomas
Mr T Clarke
Mr T Mansell
Mr R H Morgan
Cllr D R Bevan
Cllr M D Stephens
Cllr R D L Burns
Mr C Grace
Mr P S Kerkin
Mr R James

Mr C Grace was appointed as a director on 31 May 2005.

Mr P S Kerkin was appointed as a director on 28 March 2006.

Mr T Clarke retired as a director on 31 March 2006.

Mr R H Morgan retired as a director on 31 January 2006.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

BUSINESS IN FOCUS LIMITED

COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2006

- select suitable accounting policies, as described on pages 10 to 11, and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are 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 auditors are aware of that information.

AUDITOR

A resolution to re-appoint Clay Shaw Thomas Limited as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Enterprise Centre
Bryn Road
Tondur
Bridgend
CF32 9BS

Signed on behalf of the directors



Gareth Bray
Company Director

Approved by the directors on ...25/3/06....

BUSINESS IN FOCUS LIMITED

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Reconciliation of Members' Funds, Balance Sheet, Cash Flow Statement and the related notes, together with the financial statements of Business In Focus Limited for the year ended 31 March 2006 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITOR

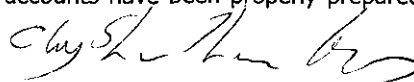
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



CLAY SHAW THOMAS LIMITED
Chartered Accountants
& Registered Auditors

Ty Atebion
Bocam Park
Bridgend
CF35 5LJ

26/7/06

BUSINESS IN FOCUS LIMITED**COMPANY LIMITED BY GUARANTEE****ABBREVIATED PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2006**

	Note	2006 £	2005 £
GROSS PROFIT		4,029,197	3,653,977
Administrative expenses		(3,765,339)	(3,408,883)
OPERATING PROFIT	2	263,858	245,094
Interest receivable		258	7
Interest payable and similar charges	5	(121,151)	(126,988)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		142,965	118,113
Tax on profit on ordinary activities	6	(18,964)	(44,142)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR		124,001	73,971

All of the activities of the company are classed as continuing.

The notes on pages 10 to 17 form part of these abbreviated accounts.

BUSINESS IN FOCUS LIMITED**COMPANY LIMITED BY GUARANTEE****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****FOR THE YEAR ENDED 31 MARCH 2006**

	2006	2005
	£	£
Profit for the financial year attributable to the members	124,001	73,971
Unrealised profit on revaluation of certain fixed assets	<u>—</u>	<u>2,535,218</u>
Total gains and losses recognised since the last annual report	<u>124,001</u>	<u>2,609,189</u>

RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS

	2006	2005
	£	£
Profit for the financial year	124,001	73,971
Other net recognised gains and losses	<u>—</u>	<u>2,535,218</u>
Net addition to funds	124,001	2,609,189
Opening members' equity funds	<u>4,870,431</u>	<u>2,261,242</u>
Closing members' equity funds	<u>4,994,432</u>	<u>4,870,431</u>

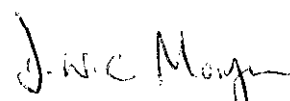
The notes on pages 10 to 17 form part of these abbreviated accounts.

BUSINESS IN FOCUS LIMITED
COMPANY LIMITED BY GUARANTEE
ABBREVIATED BALANCE SHEET
AS AT 31 MARCH 2006

	Note	2006 £	£	2005 £	£
FIXED ASSETS					
Tangible assets	7		8,611,070		8,597,136
Investments	8		<u>1</u>		<u>1</u>
			8,611,071		8,597,137
CURRENT ASSETS					
Stocks	9		—		7,721
Debtors	10		990,644		556,939
Cash at bank and in hand			<u>24,502</u>		<u>160,291</u>
			1,015,146		724,951
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11		<u>(950,029)</u>		<u>(586,980)</u>
NET CURRENT ASSETS			<u>65,117</u>		<u>137,971</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8,676,188		8,735,108
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	12		<u>(1,351,110)</u>		<u>(1,524,691)</u>
			7,325,078		7,210,417
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	13		4,371		13,711
Deferred income	14		2,326,275		2,326,275
			<u>4,994,432</u>		<u>4,870,431</u>
RESERVES	16				
Revaluation reserve	17		3,890,642		3,890,642
Profit and loss account	17		<u>1,103,790</u>		<u>979,789</u>
MEMBERS' FUNDS			<u>4,994,432</u>		<u>4,870,431</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on the 25/7/2006 and are signed on their behalf by:


D W C MORGAN (CHAIRMAN)

The notes on pages 10 to 17 form part of these abbreviated accounts.

BUSINESS IN FOCUS LIMITED**COMPANY LIMITED BY GUARANTEE****CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 MARCH 2006**

	2006 £	£	2005 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		32,122		519,912
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	258		7	
Interest paid	(121,151)		(126,988)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(120,893)		(126,981)
TAXATION		(29,935)		(11,717)
CAPITAL EXPENDITURE				
Payments to acquire tangible fixed assets	(101,451)		(33,807)	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(101,451)		(33,807)
FINANCING				
Repayment of bank loans	(191,726)		(181,787)	
NET CASH OUTFLOW FROM FINANCING		(191,726)		(181,787)
(DECREASE)/INCREASE IN CASH		(411,883)		165,620
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES				
	2006 £		2005 £	
Operating profit	263,858		245,094	
Depreciation	87,517		111,598	
Decrease in stocks	7,721		45,279	
(Increase)/decrease in debtors	(433,705)		200,215	
Increase/(decrease) in creditors	106,731		(82,274)	
Net cash inflow from operating activities	32,122		519,912	

The notes on pages 10 to 17 form part of these abbreviated accounts.

BUSINESS IN FOCUS LIMITED**COMPANY LIMITED BY GUARANTEE****CASH FLOW STATEMENT (continued)****FOR THE YEAR ENDED 31 MARCH 2006****RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2006		2005
	£	£	£
(Decrease)/increase in cash in the period	(411,883)		165,620
Net cash outflow from bank loans	<u>191,726</u>		<u>181,787</u>
	(220,157)		347,407
Change in net debt	(220,157)		347,407
Net debt at 1 April 2005	(1,547,446)		(1,894,852)
Net debt at 31 March 2006	<u>(1,767,603)</u>		<u>(1,547,446)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2005 £	Cash flows £	At 31 Mar 2006 £
Net cash:			
Cash in hand and at bank	160,291	(135,789)	24,502
Overdrafts	—	(276,094)	(276,094)
	<u>160,291</u>	<u>(411,883)</u>	<u>(251,592)</u>
Debt:			
Debt due within 1 year	(183,046)	18,145	(164,901)
Debt due after 1 year	(1,524,691)	173,581	(1,351,110)
	<u>(1,707,737)</u>	<u>191,726</u>	<u>(1,516,011)</u>
Net debt	<u>(1,547,446)</u>	<u>(220,157)</u>	<u>(1,767,603)</u>

The notes on pages 10 to 17 form part of these abbreviated accounts.

BUSINESS IN FOCUS LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 33 1/3% per annum
Fixtures & Fittings	- 33 1/3% per annum
Branding Reserve	- 10% per annum

Investment properties

In accordance with Statement of Standard Accounting Practice No.19, the company's properties are held for long-term investment and are valued annually by the Board and every five years valued externally by a professional valuer. The surplus on revaluation of such properties are transferred to the investment property revaluation reserve, and deficits are written off to the profit and loss account.

The policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider this policy is necessary in order that the accounts may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Work in progress and long term contracts

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

BUSINESS IN FOCUS LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES *(continued)*

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for an employee. The contributions payable for the year are charged to the Profit and Loss Account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised by the company to the extent that they are regarded as recoverable. The assets are regarded as recoverable to the extent, that the company forecast future profits from which the reversal can take place.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Capitalisation of interest

Interest on capital borrowed directly attributable to finance the construction of properties is capitalised and included within the cost or valuation in the Balance Sheet. Interest is no longer capitalised when the properties are physically completed and available for rent.

Deferred income

Government grants relating to capital expenditure are held as deferred income in the balance sheet and are released to the profit and loss account when the related assets are sold.

Government grants of a revenue nature are credited to the profit and loss account in the same period as the related expenditure

BUSINESS IN FOCUS LIMITED**COMPANY LIMITED BY GUARANTEE****NOTES TO THE ABBREVIATED ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2006****2. OPERATING PROFIT**

Operating profit is stated after charging:

	2006	2005
	£	£
Depreciation of owned fixed assets	87,517	111,598
Auditor's remuneration		
- as auditor	5,800	4,295
Operating lease costs:		
Other	47,811	50,124
Net loss on foreign currency translation	<u>—</u>	<u>534</u>

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2006	2005
	No	No
Number of administrative staff	39	34
Number of management staff	7	7
Number of other staff - manual	6	6
Number of other staff - Advisors	36	37
	<u>88</u>	<u>84</u>

The aggregate payroll costs of the above were:

	2006	2005
	£	£
Wages and salaries	1,978,764	1,800,808
Social security costs	193,634	168,337
Other pension costs	58,859	74,259
Other pension costs	5,023	4,869
	<u>2,236,280</u>	<u>2,048,273</u>

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2006	2005
	£	£
Aggregate emoluments	64,658	60,862
Value of company pension contributions to money purchase schemes	5,023	4,869
	<u>69,681</u>	<u>65,731</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2006	2005
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

With the exception of the Executive Director, no board members receive any remuneration.

BUSINESS IN FOCUS LIMITED**COMPANY LIMITED BY GUARANTEE****NOTES TO THE ABBREVIATED ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2006**

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2006	2005
	£	£
Interest on other loans	<u>121,151</u>	<u>126,988</u>

6. TAXATION ON ORDINARY ACTIVITIES**(a) Analysis of charge in the year**

	2006	2005
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year	28,305	29,936
Over/under provision in prior year	(1)	495
Total current tax	<u>28,304</u>	<u>30,431</u>
Deferred tax:		
Origination and reversal of timing differences (note 13)		
Capital allowances	<u>(9,340)</u>	<u>13,711</u>
Tax on profit on ordinary activities	<u>18,964</u>	<u>44,142</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19% (2005 - 30%).

	2006	2005
	£	£
Profit on ordinary activities before taxation	<u>142,965</u>	<u>118,113</u>
Taxation of accounting profits	27,163	35,434
Depreciation	16,627	33,479
Disallowable expenses	302	895
Capital allowances	(15,789)	(23,492)
Marginal relief	-	(15,769)
Under provision in previous year	1	(116)
Total current tax (note 6(a))	<u>28,304</u>	<u>30,431</u>

BUSINESS IN FOCUS LIMITED**COMPANY LIMITED BY GUARANTEE****NOTES TO THE ABBREVIATED ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2006****7. TANGIBLE FIXED ASSETS**

	Freehold Property £	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Equipment £	Total £
COST OR VALUATION						
At 1 Apr 2005	4,360,720	4,039,280	148,418	373,173	122,065	9,043,656
Additions	9,180	—	—	92,271	—	101,451
At 31 Mar 2006	4,369,900	4,039,280	148,418	465,444	122,065	9,145,107
DEPRECIATION						
At 1 Apr 2005	—	—	112,723	315,755	18,042	446,520
Charge for the year	—	—	7,231	68,079	12,207	87,517
At 31 Mar 2006	—	—	119,954	383,834	30,249	534,037
NET BOOK VALUE						
At 31 Mar 2006	4,369,900	4,039,280	28,464	81,610	91,816	8,611,070
At 31 Mar 2005	4,360,720	4,039,280	35,695	57,418	104,023	8,597,136

The company's investment properties were valued at a market value of £8,400,000 on 22 June 2005 by Messrs DTZ Debenham Tie Lueng, Chartered Surveyors.

The historical cost of the investment properties at the year end were £5,110,907 (2005: £5,110,187), included in the net book value of the investment properties is capitalised interest costs of £108,029 (2005: £108,029). A potential tax liability of £1,167,193 will become due if the properties are sold at their market value, as noted above.

8. INVESTMENTS**Investments in group companies**

	£
COST	
At 1 April 2005 and 31 March 2006	1
NET BOOK VALUE	
At 31 March 2006	1
At 31 March 2005	1

See note 19 for investment details.

9. STOCKS

	2006 £	2005 £
Work in progress	—	7,721

BUSINESS IN FOCUS LIMITED**COMPANY LIMITED BY GUARANTEE****NOTES TO THE ABBREVIATED ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2006****10. DEBTORS**

	2006	2005
	£	£
Trade debtors	502,053	374,076
Amounts owed by group undertakings	6,237	47,759
Other debtors	477,224	123,270
Prepayments and accrued income	5,130	11,834
	<u>990,644</u>	<u>556,939</u>

'Other debtors' include £462,037 (2005: £103,583) due in respect of European Regional Development fund grants

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005
	£	£
Bank loans and overdrafts	440,995	183,046
Trade creditors	120,073	90,547
Other creditors including taxation and social security:		
Corporation tax	28,305	29,936
PAYE and social security	58,028	48,893
VAT	136,829	122,425
Other creditors	74,497	72,030
	<u>858,727</u>	<u>546,877</u>
Accruals and deferred income	91,302	40,103
	<u>950,029</u>	<u>586,980</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2006	2005
	£	£
Bank loans and overdrafts	<u>440,995</u>	<u>183,046</u>

The bank overdraft and loans are secured by a first legal mortgage over the company's properties and by an unscheduled mortgage debenture.

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

	2006	2005
	£	£
Bank loans and overdrafts	<u>1,351,110</u>	<u>1,524,691</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2006	2005
	£	£
Bank loans and overdrafts	<u>1,351,110</u>	<u>1,524,691</u>

The bank overdraft and loans are secured by a first legal mortgage over the company's properties and by an unscheduled mortgage debenture.

BUSINESS IN FOCUS LIMITED**COMPANY LIMITED BY GUARANTEE****NOTES TO THE ABBREVIATED ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2006**

13. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	2006 £	2005 £
Provision brought forward	13,711	-
Profit and loss account movement arising during the year	(9,340)	13,711
Provision carried forward	<u>4,371</u>	<u>13,711</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2006 £	2005 £
Excess of taxation allowances over depreciation on fixed assets	4,371	13,711
	<u>4,371</u>	<u>13,711</u>

14. DEFERRED INCOME

	2006 £	2005 £
Received and receivable:		
At 1 April 2005	2,326,275	2,326,275
At 31 March 2006	<u>2,326,275</u>	<u>2,326,275</u>
Amortisation:		
At 31 March 2006	<u>-</u>	<u>-</u>
Net balance at 31 March 2006	<u>2,326,275</u>	<u>2,326,275</u>

In the six years following receipt, there is a potential liability to repay a proportion of the government grants held as deferred income in the event that the asset to which the grant relates is sold. As at 31st March 2006, this potential liability amounted to £254,300 (2005: £970,581) with £2,071,975 (2005: £1,355,694) held as deferred income, where no such contingent obligation exists.

15. RELATED PARTY TRANSACTIONS

During the year, the company charged services of £Nil (2005: £Nil) to its subsidiary undertaking, Cardiff and Vale Enterprise International Limited. At the year end, the balance due to Business In Focus Limited was £6,237 (2005: £47,759), see note 11.

16. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and therefore has no issued share capital.

BUSINESS IN FOCUS LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2006

17. RESERVES

	Revaluation reserve	Profit and loss account
	£	£
Balance brought forward	3,890,642	979,789
Profit for the year	—	124,001
Balance carried forward	<u>3,890,642</u>	<u>1,103,790</u>