

3709299

Sterling International Holdings Limited

Report and Financial Statements

Period Ended

30 June 2006



Sterling International Holdings Limited

Report and financial statements for the period ended 30 June 2006

Contents

Page:

1	Report of the directors
3	Independent auditor's report
4	Profit and loss account
5	Balance sheet
6	Notes forming part of the financial statements

Directors

R O H Morley
J Beglin

Secretary and registered office

A D Joseph, Hallmark House, Rowdell Road, Northolt, Middlesex, UB5 6AG

Company number

3709299

Auditors

Nexia Smith & Williamson, 25 Moorgate, London, EC2R 6AY

Sterling International Holdings Limited

Report of the directors for the period ended 30 June 2006

The directors present their report together with the audited financial statements for the period ended 30 June 2006

Results and dividends

The profit and loss account is set out on page 4 and shows the result for the period

The directors do not recommend the payment of a dividend for the period under review (2004 £Nil)

Principal activities, review of business and future developments

The company's principal activity is that of being an intermediate parent company, holding an investment in a subsidiary undertaking incorporated in France

The company did not undertake any trading activities in the period

There have been no events since the balance sheet date which materially affect the position of the company

Directors

The directors of the company during the period were.

R O H Morley	
J Beglin	Appointed 31 August 2005
W A Donaldson	Appointed 12 April 2006, resigned 19 September 2006
W F Heximer	Resigned 12 April 2006
P N Carter	Resigned 12 July 2005
R L Levine	Resigned 12 July 2005

All the current directors are also directors of the ultimate parent company, Halcyon Relocation Limited, and their interests in the share capital of that company, if any, are shown in its financial statements

Sterling International Holdings Limited

Report of the directors for the period ended 30 June 2006 (continued)

Directors' responsibilities

The directors are responsible for preparing the annual report and 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 period 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 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, 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 which 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. 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.

By order of the Board

Director



30/4/07

Nexia Smith & Williamson

Independent auditors' report to the shareholders of Sterling International Holdings Limited

We have audited the accounts of Sterling International Holdings Limited for the period ended 30 June 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11. These accounts have been prepared under 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 so that we might state to the company's members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Our responsibility is to audit the accounts 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 accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if 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 the 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 it.

Basis of audit opinion

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company'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 accounts 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 accounts.

Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2006 and of its result for the year then ended, and
- the accounts have been properly prepared in accordance with the Companies Act 1985.

Nexia Smith & Williamson

Nexia Smith & Williamson
Chartered Accountants
Registered Auditors
Date 30 April 2007

25 Moorgate
London
EC2R 6AY

Sterling International Holdings Limited**Profit and loss account for the period ended 30 June 2006**

	Note	Period ended 30 June 2006 £	Year ended 31 December 2004 £
Turnover and gross profit		-	-
Administrative expenses		-	(508,025)
		-	(508,025)
Other operating income		-	600,000
Profit on ordinary activities before and after taxation for the financial period/year	2	-	91,975
Retained profit/(accumulated loss) brought forward		55,278	(36,697)
Retained profit carried forward		55,278	55,278

All amounts relate to continuing activities

All recognised gains and losses in the current period and prior year are included in the profit and loss account

Sterling International Holdings Limited

Balance sheet at 30 June 2006

	Note	30 June 2006 £	30 June 2006 £	31 December 2004 £	31 December 2004 £
Fixed assets					
Fixed asset investments	3		905,553		817,000
Current assets					
Debtors	4	697,279		697,279	
Creditors: amounts falling due within one year	5	(844,060)		(755,507)	
Net current liabilities			(146,781)		(58,228)
Total assets less current liabilities			758,772		758,772
Creditors: amounts falling due after more than one year	6		703,492		703,492
Net assets			55,280		55,280
Capital and reserves					
Called up share capital	7		2		2
Profit and loss account			55,278		55,278
Shareholders' funds	8		55,280		55,280

The financial statements were approved by the board of directors and authorised for issue on

30/4/07

R O H Morley
Director

RA Morley

The notes on pages 6 to 10 form part of these financial statements

Sterling International Holdings Limited

Notes forming part of the financial statements for the period ended 30 June 2006

1 Accounting policies

The financial statements have been prepared under the historical cost convention

The following principal accounting policies have been applied

Basis of preparation

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. At 30 June 2006 the company had net current liabilities of £146,781 and net assets of £55,280

Consolidated financial statements

The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Valuation of investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment in value.

Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Impairment of fixed assets and goodwill

The need for any investment impairment write-down is assessed by comparison of the carrying value of the asset against the higher of net realisable value and value in use.

Sterling International Holdings Limited

Notes forming part of the financial statements for the period ended 30 June 2006 (*Continued*)

2 Taxation on profit on ordinary activities

No taxation is payable on the result for the period (2004 NIL) A tax reconciliation is provided below

	Period ended 30 June 2006 £	Year ended 31 December 2004 £
Profit on ordinary activities before tax	-	91,975
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2004 - 30%)	-	27,593
Effect of Impairment of investment not deductible for tax purposes	-	152,407
Partial waiver of intra-group debt due to parent company not taxable	-	(180,000)
Current tax charge for period	-	-

Sterling International Holdings Limited

Notes forming part of the financial statements for the period ended 30 June 2006 (*Continued*)

3 Fixed asset investments

	£
<i>Cost</i>	
At 1 January 2005	1,325,025
Increase in the period	88,553
At 30 June 2006	1,413,578
<i>Provisions</i>	
At 1 January 2005 and 30 June 2006	508,025
<i>Net book value</i>	
At 30 June 2006	905,553
At 1 January 2005	817,000

Details of the subsidiary undertaking as at 30 June 2006 were as follows

	Country of incorporation or registration	Class of share capital held	Proportion of share capital held	Nature of business
Sterling International Movers S A	France	A	100%	International moving, relocation services and furniture rental, specialising in the multinational corporate sector

The above subsidiary undertaking was incorporated in and operates from France

Sterling International Holdings Limited

Notes forming part of the financial statements for the period ended 30 June 2006 (Continued)

4 Debtors

	30 June 2006 £	31 December 2004 £
Amounts owed by group undertakings	696,962	696,962
Other debtors	317	317
	697,279	697,279

5 Creditors: amounts falling due within one year

	30 June 2006 £	31 December 2004 £
Amounts owed to group undertakings	840,209	751,656
Accruals and deferred income	3,851	3,851
	844,060	755,507

6 Creditors: amounts falling due after more than one year

	30 June 2006 £	31 December 2004 £
Amounts owed to group undertakings	703,492	703,492

7 Share capital

	Authorised		Allotted, called up and fully paid	
	30 June 2006 £	31 December 2004 £	30 June 2006 £	31 December 2004 £
<i>Equity share capital</i>				
Ordinary shares of £1 each	1,000	1,000	2	2

Sterling International Holdings Limited

Notes forming part of the financial statements for the period ended 30 June 2006 *(Continued)*

8 Reconciliation of movements in shareholders' funds

	Period ended 30 June 2006 £	Year ended 31 December 2004 £
Profit for the period/ year	-	91,975
Opening shareholders' funds	55,280	(36,695)
Closing shareholders' funds	<u>55,280</u>	<u>55,280</u>

9 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the group headed by Halcyon Relocation Limited on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements

The directors of Sterling Relocation Limited, a fellow subsidiary of Halcyon Relocation Limited, have confirmed that whilst the company is a member of the group, support will be given to enable it to continue as a going concern

10 Cash flow statement

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements (Revised 1996)", not to prepare a cash flow statement as a consolidated cash flow statement is included in the financial statements of its ultimate parent company

11 Ultimate parent company and controlling party information

At 30 June 2006, the company's ultimate parent company was Halcyon Relocation Limited, which is the parent of the largest group of which the company is a member

Copies of the consolidated financial statements of Halcyon Relocation Limited are available from Companies House