

**Prince & King Financial Services Limited**

**Report of the Directors and**

**Financial Statements**

**for the year ended 31 August 2006**



Walkers  
Registered Auditors  
Chartered Accountants  
16-18 Devonshire Street  
KEIGHLEY  
West Yorkshire  
BD21 2DG

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**for the year ended 31 August 2006**

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**Prince & King Financial Services Limited**

**Company Information**  
**for the year ended 31 August 2006**

**DIRECTORS:**

M Prince  
Mrs L A Southern  
A Lamont

**SECRETARY:**

Mrs L A Southern

**REGISTERED OFFICE:**

The Bank Building  
32/34 Victoria Road  
Earby  
BARNOLDSWICK  
Lancashire  
BB18 6UR

**REGISTERED NUMBER:**

04134171 (England and Wales)

**AUDITORS:**

Walkers  
Registered Auditors  
Chartered Accountants  
16-18 Devonshire Street  
KEIGHLEY  
West Yorkshire  
BD21 2DG

**Prince & King Financial Services Limited**

**Report of the Directors**  
**for the year ended 31 August 2006**

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

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the provision of financial services.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIVIDENDS**

An interim dividend of £1.80 per share was paid on 10 August 2006. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 August 2006 will be £2,000.

The dividend was only paid on 1,111 ordinary shares of £1 each. Waivers were implemented for the residue of the issued shares.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors during the year under review were:

M Prince	
Mrs L A Southern	
D M Southern	- resigned 6.4.06
A Lamont	

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

	31.8.06	1.9.05
<b>Ordinary £1.00 shares</b>		
M Prince	8,889	9,500
Mrs L A Southern	1,111	500
A Lamont	1,111	-

**COMPANY'S POLICY ON PAYMENT OF CREDITORS**

The company's policy is to agree terms of payment prior to commencing to trade with a supplier. It will be the company's policy to abide by those terms, based on timely submission of satisfactory invoices, and payment thirty days thereafter. As at the time of the balance sheet the number of creditor days was 30.

**POTENTIAL IMPACT OF THE INTRODUCTION OF THE EURO**

The potential impact of the Euro on the business has been assessed. The directors believe that as far as can be ascertained at this stage there will be no major impact on the business and its operations and consequently no additional direct costs will be incurred in dealing with this issue.

**Prince & King Financial Services Limited**

**Report of the Directors**  
**for the year ended 31 August 2006**

**STATEMENT OF 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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

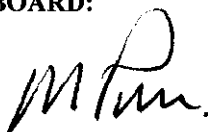
So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Walkers, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

M Prince - Director



22 November 2006

**Report of the Independent Auditors to the Shareholders of**  
**Prince & King Financial Services Limited**

We have audited the financial statements of Prince & King Financial Services Limited for the year ended 31 August 2006 on pages six to seventeen. These financial statements 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 on page three the company's directors are responsible for the preparation of 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. We also report to you if, in our opinion, the Report of the Directors is consistent with the financial statements, 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 information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors 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 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 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.

**Report of the Independent Auditors to the Shareholders of**  
**Prince & King Financial Services Limited**

**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 as at 31 August 2006 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

In our opinion the information given in the report of the directors is consistent with the financial statements.

*Walkers*

Walkers  
Registered Auditors  
Chartered Accountants  
16-18 Devonshire Street  
KEIGHLEY  
West Yorkshire  
BD21 2DG

Date: *24 November 2006*

**Prince & King Financial Services Limited**

**Profit and Loss Account**  
**for the year ended 31 August 2006**

	Notes	31.8.06 £	31.8.05 £
<b>TURNOVER</b>		203,191	128,811
Cost of sales		82,434	50,843
<b>GROSS PROFIT</b>		120,757	77,968
Administrative expenses		108,937	68,971
		11,820	8,997
Other operating income		5,171	-
<b>OPERATING PROFIT</b>	3	16,991	8,997
Interest receivable and similar income		191	426
		17,182	9,423
Interest payable and similar charges	4	432	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		16,750	9,423
Tax on profit on ordinary activities	5	4,863	2,104
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		11,887	7,319

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements



**Prince & King Financial Services Limited**

**Balance Sheet**  
**31 August 2006**

	Notes	31.8.06 £	£	31.8.05 £	£
<b>FIXED ASSETS</b>					
Intangible assets	7		42,375		32,000
Tangible assets	8		19,487		11,552
			<u>61,862</u>		<u>43,552</u>
<b>CURRENT ASSETS</b>					
Debtors	9	13,257		5,861	
Cash at bank		19,575		14,947	
		<u>32,832</u>		<u>20,808</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	10	43,489		39,235	
<b>NET CURRENT LIABILITIES</b>			<u>(10,657)</u>		<u>(18,427)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			51,205		25,125
<b>PROVISIONS FOR LIABILITIES</b>	13		3,193		2,000
<b>NET ASSETS</b>			<u>48,012</u>		<u>23,125</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		11,111		10,000
Share premium	15		13,889		-
Profit and loss account	15		23,012		13,125
<b>SHAREHOLDERS' FUNDS</b>	18		<u>48,012</u>		<u>23,125</u>

The financial statements were approved by the Board of Directors on 22 November 2006 and were signed on its behalf by:



M Prince - Director

The notes form part of these financial statements

**Prince & King Financial Services Limited**

**Cash Flow Statement**  
**for the year ended 31 August 2006**

	Notes	31.8.06 £	£	31.8.05 £	£
<b>Net cash inflow from operating activities</b>	1		32,420		17,131
<b>Returns on investments and servicing of finance</b>	2		(241)		426
<b>Taxation</b>			(2,353)		(2,043)
<b>Capital expenditure</b>	2		(12,198)		(1,173)
<b>Equity dividends paid</b>			(2,000)		-
			<u>15,628</u>		<u>14,341</u>
<b>Financing</b>	2		(11,000)		(15,790)
<b>Increase/(Decrease) in cash in the period</b>			<u>4,628</u>		<u>(1,449)</u>
<hr/>					
<b>Reconciliation of net cash flow to movement in net funds</b>	3				
Increase/(Decrease) in cash in the period		4,628		(1,449)	
Cash inflow from increase in debt		<u>(4,617)</u>		<u>-</u>	
Change in net funds resulting from cash flows			<u>11</u>		<u>(1,449)</u>
<b>Movement in net funds in the period</b>			<u>11</u>		<u>(1,449)</u>
<b>Net funds at 1 September</b>			<u>14,947</u>		<u>16,396</u>
<b>Net funds at 31 August</b>			<u>14,958</u>		<u>14,947</u>

The notes form part of these financial statements

**Prince & King Financial Services Limited**

**Notes to the Cash Flow Statement**  
**for the year ended 31 August 2006**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.8.06	31.8.05
	£	£
Operating profit	16,991	8,997
Depreciation charges	8,886	7,283
(Increase)/Decrease in debtors	(7,693)	1,656
Increase/(Decrease) in creditors	14,236	(805)
<b>Net cash inflow from operating activities</b>	<b>32,420</b>	<b>17,131</b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31.8.06	31.8.05
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	191	426
Interest paid	(432)	-
<b>Net cash (outflow)/inflow for returns on investments and servicing of finance</b>	<b>(241)</b>	<b>426</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(12,198)	(1,173)
<b>Net cash outflow for capital expenditure</b>	<b>(12,198)</b>	<b>(1,173)</b>
<b>Financing</b>		
New loans in year	5,300	-
Loan repayments in year	(683)	-
Amount introduced by directors	2	-
Amount withdrawn by directors	(15,619)	(15,790)
<b>Net cash outflow from financing</b>	<b>(11,000)</b>	<b>(15,790)</b>

The notes form part of these financial statements

**Prince & King Financial Services Limited**

**Notes to the Cash Flow Statement**  
**for the year ended 31 August 2006**

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.05 £	Cash flow £	At 31.8.06 £
Net cash:			
Cash at bank	14,947	4,628	19,575
	<u>14,947</u>	<u>4,628</u>	<u>19,575</u>
Debt:			
Debts falling due within one year	-	(4,617)	(4,617)
	<u>-</u>	<u>(4,617)</u>	<u>(4,617)</u>
Total	<u>14,947</u>	<u>11</u>	<u>14,958</u>

The notes form part of these financial statements

**Notes to the Financial Statements**  
**for the year ended 31 August 2006**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

**Turnover**

Turnover comprises commissions and fees receivable exclusive of sales related taxes. Commissions are recognised once a transaction has been completed.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2003, is being amortised evenly over its estimated useful life of ten years.

Goodwill, being the amount paid in connection with the acquisition of a casebook in 2006, is being amortised evenly over its estimated useful life of ten years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Over the life of the lease
Fixtures and fittings	- 15% on cost
Computer equipment	- 25% on cost

**Deferred tax**

Deferred tax has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Deferred tax assets and liabilities have not been discounted.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**Provision for clawback of indemnity commission**

The provision for clawback of indemnity commission represents the expected value of commissions potentially reclaimable by the product providers in respect of policies cancelled during the indemnity period, based upon past experience of such claims.

**2. STAFF COSTS**

	31.8.06	31.8.05
	£	£
Wages and salaries	30,139	8,465
Social security costs	1,227	180
Other pension costs	-	50
	<u>31,366</u>	<u>8,695</u>

**Prince & King Financial Services Limited**

**Notes to the Financial Statements - continued**  
**for the year ended 31 August 2006**

**2. STAFF COSTS - continued**

The average monthly number of employees during the year was as follows:

	31.8.06	31.8.05
Management	3	3
Administration	1	1
	<u>4</u>	<u>4</u>

There was no outstanding or prepaid pension contributions at the balance sheet date.

**3. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.8.06	31.8.05
	£	£
Operating lease income	(5,171)	-
Depreciation - owned assets	4,261	3,283
Goodwill amortisation	4,625	4,000
Auditors' remuneration	2,500	3,282
Rent	7,333	6,500
	<u>26,300</u>	<u>7,500</u>
Directors' emoluments	-	50
Directors' pension contributions to money purchase schemes	<u>-</u>	<u>50</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	31.8.06	31.8.05
	£	£
Bank interest	215	-
Bank loan interest	217	-
	<u>432</u>	<u>-</u>

**Prince & King Financial Services Limited**

**Notes to the Financial Statements - continued**  
**for the year ended 31 August 2006**

**5. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	31.8.06	31.8.05
	£	£
Current tax:		
UK corporation tax	4,373	2,353
Deferred tax	490	(249)
	<u>4,863</u>	<u>2,104</u>
Tax on profit on ordinary activities	<u>4,863</u>	<u>2,104</u>

**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:

	31.8.06	31.8.05
	£	£
Profit on ordinary activities before tax	<u>16,750</u>	<u>9,423</u>
Profit on ordinary activities		
multiplied by the standard rate of corporation tax		
in the UK of 19% (2005 - 19%)	3,183	1,790
Effects of:		
Depreciation in excess of capital allowances	-	249
Expenditure not allowable for tax purposes	410	33
Goodwill amortisation	879	760
Capital allowances in excess of depreciation	(51)	-
Marginal relief	(48)	(479)
	<u>4,373</u>	<u>2,353</u>
Current tax charge	<u>4,373</u>	<u>2,353</u>

**6. DIVIDENDS**

	31.8.06	31.8.05
	£	£
Equity shares:		
Interim	<u>2,000</u>	<u>-</u>

**Prince & King Financial Services Limited**

**Notes to the Financial Statements - continued**  
**for the year ended 31 August 2006**

**7. INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1 September 2005	40,000
Additions	15,000
	<hr/>
At 31 August 2006	55,000
	<hr/>
<b>AMORTISATION</b>	
At 1 September 2005	8,000
Amortisation for year	4,625
	<hr/>
At 31 August 2006	12,625
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 August 2006	42,375
	<hr/>
At 31 August 2005	32,000
	<hr/>

**8. TANGIBLE FIXED ASSETS**

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 September 2005	8,395	3,299	6,835	18,529
Additions	-	-	12,198	12,198
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2006	8,395	3,299	19,033	30,727
	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>				
At 1 September 2005	2,399	1,385	3,195	6,979
Charge for year	1,199	410	2,652	4,261
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2006	3,598	1,795	5,847	11,240
	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>				
At 31 August 2006	4,797	1,504	13,186	19,487
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2005	5,996	1,914	3,640	11,550
	<hr/>	<hr/>	<hr/>	<hr/>

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.06 £	31.8.05 £
Trade debtors	6,943	891
Deferred tax asset	-	297
Prepayments	6,314	4,673
	<hr/>	<hr/>
	13,257	5,861
	<hr/>	<hr/>



**Prince & King Financial Services Limited**

**Notes to the Financial Statements - continued**  
**for the year ended 31 August 2006**

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.06	31.8.05
	£	£
Bank loans and overdrafts (see note 11)	4,617	-
Corporation tax	4,373	2,353
Social security and other taxes	1,380	276
Other creditors	4,760	2,944
Directors' current accounts	15,193	30,812
Accrued expenses	13,166	2,850
	<u>43,489</u>	<u>39,235</u>

**11. LOANS**

An analysis of the maturity of loans is given below:

	31.8.06	31.8.05
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>4,617</u>	<u>-</u>

**12. OPERATING LEASE COMMITMENTS**

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

	31.8.06	31.8.05
	£	£
Expiring:		
Within one year	7,333	-
In more than five years	-	6,500
	<u>7,333</u>	<u>6,500</u>

**13. PROVISIONS FOR LIABILITIES**

	31.8.06	31.8.05
	£	£
Deferred tax	193	(297)
Clawback provision	3,000	2,000
	<u>3,193</u>	<u>1,703</u>

**Prince & King Financial Services Limited**

**Notes to the Financial Statements - continued**  
**for the year ended 31 August 2006**

**13. PROVISIONS FOR LIABILITIES - continued**

	Deferred tax £
Balance at 1 September 2005	(297)
Accelerated capital allowances	490
	<hr/>
Balance at 31 August 2006	193
	<hr/>

The provision for clawback of indemnity commission represents the expected cost of clawbacks from product providers for subsequent policy cancellations and mid term adjustments in respect of policies written at 31st August 2006. The amount represents the net obligation after net work recovery.

**14. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	31.8.06 £	31.8.05 £
100,000	Ordinary	£1.00	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.8.06 £	31.8.05 £
10,000	Ordinary	£1.00	<u>11,111</u>	<u>10,000</u>

1,111 ordinary shares of £1 each were allotted on the 20th March 2006 to Mr A Lamont.

**15. RESERVES**

	Profit and loss account £	Share premium £	Totals £
At 1 September 2005	13,125	-	13,125
Profit for the year	11,887		11,887
Dividends	(2,000)		(2,000)
Cash share issue	-	13,889	13,889
	<hr/>	<hr/>	<hr/>
At 31 August 2006	<u>23,012</u>	<u>13,889</u>	<u>36,901</u>

**Prince & King Financial Services Limited**

**Notes to the Financial Statements - continued**  
**for the year ended 31 August 2006**

**16. RELATED PARTY DISCLOSURES**

Michael Prince is the sole director shareholder of Prince & King Group Limited.

During the year, this company charged Prince & King Financial Services Limited £nil (2005: £10,150) for management fees in terms of administrative services rendered. At the balance sheet date £3,092 (2005: £1,036) was due to this company in respect of expenses settled on behalf of Group Limited by Financial Services Limited.

The directors are trustees of the Prince & King Group Pension Scheme SSAS.

During the year, rent of £7,333 (2005: £6,500) was paid to this scheme by way of rent. There was no balances outstanding at the balance sheet date.

**17. POST BALANCE SHEET EVENTS**

These financial statements were approved for issue by the board of directors on the 22nd November 2006.

**18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31.8.06	31.8.05
	£	£
Profit for the financial year	11,887	7,319
Dividends	(2,000)	-
	<hr/>	<hr/>
	9,887	7,319
Issue of share capital	15,000	-
	<hr/>	<hr/>
<b>Net addition to shareholders' funds</b>	<b>24,887</b>	<b>7,319</b>
Opening shareholders' funds	23,125	15,806
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	<b>48,012</b>	<b>23,125</b>
	<hr/>	<hr/>
Equity interests	48,012	23,125
	<hr/>	<hr/>

**19. CONTROL**

The company is under the control of Michael Prince, a director of the company.

**Prince & King Financial Services Limited**

**Trading and Profit and Loss Account**  
**for the year ended 31 August 2006**

	31.8.06		31.8.05	
	£	£	£	£
<b>Sales</b>		203,191		128,811
<b>Cost of sales</b>				
Directors' salaries	19,300		5,000	
Directors' social security	961		120	
Associate costs and commission	62,173		45,723	
	<hr/>	82,434	<hr/>	50,843
<b>GROSS PROFIT</b>		120,757		77,968
<b>Other income</b>				
Rents received	5,171		-	
Deposit account interest	191		423	
Interest on corporation tax	-		3	
	<hr/>	5,362	<hr/>	426
		126,119		78,394
<b>Expenditure</b>				
Rent	7,333		6,500	
Rates and water	1,286		1,631	
Insurance	3,866		2,845	
Light and heat	2,003		1,035	
Directors' salaries	7,000		2,500	
Directors' social security	265		60	
Directors' pension contributions	-		50	
Wages	3,839		965	
Social security	1		-	
Telephone	3,513		2,735	
Post and stationery	4,293		1,627	
Advertising	7,608		912	
Travel and motor expenses	27,660		11,949	
Repairs and renewals	6,955		7,245	
Sundry expenses	5,277		1,207	
Accountancy	775		600	
Consultancy	3,500		-	
Legal fees	11,297		6,156	
Management fees	-		10,150	
Auditors' remuneration	2,500		3,282	
Bad debts	900		-	
	<hr/>	99,871	<hr/>	61,449
<b>Carried forward</b>		26,248		16,945

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**Prince & King Financial Services Limited**

**Trading and Profit and Loss Account**  
**for the year ended 31 August 2006**

	31.8.06		31.8.05	
	£	£	£	£
Brought forward		26,248		16,945
<b>Finance costs</b>				
Bank charges	180		239	
Bank interest	215		-	
Bank loan interest	217		-	
	<u>        </u>	612	<u>        </u>	239
		<u>25,636</u>		<u>16,706</u>
<b>Depreciation</b>				
Goodwill	4,625		4,000	
Improvements to property	1,199		1,199	
Fixtures and fittings	410		411	
Computer equipment	2,652		1,673	
	<u>        </u>	8,886	<u>        </u>	7,283
<b>NET PROFIT</b>		<u>16,750</u>		<u>9,423</u>

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