

PAUL McKENNA TRAINING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

Company Registration Number 04404886

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PAUL McKENNA TRAINING LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2006

CONTENTS	PAGES
Officers and professional advisers	1
The director's report	2
Profit and loss account	3
Statement of total recognised gains and losses	4
Balance sheet	5 to 6
Notes to the financial statements	7 to 11
The following pages do not form part of the statutory financial statements	
Detailed profit and loss account	13
Notes to the detailed profit and loss account	14 to 15

PAUL McKENNA TRAINING LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 MARCH 2006

The director	P McKenna
Company secretary	Shaws Secretaries Limited
Business address	10th Floor Newcombe House 45 Notting Hill Gate London W11 3LQ
Registered office	10th Floor Newcombe House 45 Notting Hill Gate London W11 3LQ

PAUL McKENNA TRAINING LIMITED

THE DIRECTOR'S REPORT

YEAR ENDED 31 MARCH 2006

The director presents his report and the unaudited financial statements of the company for the year ended 31 March 2006.

Principal activities

The principal activity of the company during the year was the provision of self-development training courses and the sale of books, C.D.'s, D.V.D.'s and tapes related to this.

Results and dividends

The profit for the year, after taxation, amounted to £250,180. Particulars of dividends paid are detailed in note 4 to the financial statements.

The director and his interests in the shares of the company

The director who served the company during the year together with his beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2006	At 1 April 2005
P McKenna	<u>1</u>	<u>1</u>

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by



P McKenna
Director

Approved by the director on 15/12/06

PAUL McKENNA TRAINING LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2006

	Note	2006 £	2005 (restated) £
Turnover		2,761,076	1,492,783
Cost of sales		(1,672,008)	(550,273)
Gross profit		<u>1,089,068</u>	<u>942,510</u>
Distribution costs		(26,097)	(206,679)
Administrative expenses		(780,086)	(759,573)
Operating profit/(loss)	2	<u>282,885</u>	<u>(23,742)</u>
Interest receivable		21,396	15,254
Interest payable and similar charges		—	(1,344)
Profit/(loss) on ordinary activities before taxation		<u>304,281</u>	<u>(9,832)</u>
Tax on profit/(loss) on ordinary activities	3	(54,101)	(9,422)
Profit/(loss) for the financial year		<u>250,180</u>	<u>(19,254)</u>

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

The notes on pages 7 to 11 form part of these financial statements.

PAUL McKENNA TRAINING LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 MARCH 2006

	2006	<i>2005</i> <i>(restated)</i>
	£	£
Profit/(loss) for the financial year Attributable to the shareholders	250,180	<i>(19,254)</i>
Total recognised gains and losses relating to the year	<u>250,180</u>	<u><i>(19,254)</i></u>
Prior year adjustment (see note 5)	<u>(10,766)</u>	
Total gains and losses recognised since the last annual report	<u>239,414</u>	

The notes on pages 7 to 11 form part of these financial statements.

PAUL McKENNA TRAINING LIMITED

BALANCE SHEET

31 MARCH 2006

		2006		2005 (restated)	
	Note	£	£	£	£
Fixed assets					
Tangible assets	6		44,236		59,702
Current assets					
Stocks		83,363		22,801	
Debtors	7	808,030		431,415	
Cash at bank and in hand		915,062		371,385	
		<u>1,806,455</u>		<u>825,601</u>	
Creditors: Amounts falling due within one year	8	<u>(1,653,515)</u>		<u>(763,307)</u>	
Net current assets			152,940		62,294
Total assets less current liabilities			<u>197,176</u>		<u>121,996</u>
Creditors: Amounts falling due after more than one year	9		(9,422)		(9,422)
			<u>187,754</u>		<u>112,574</u>
Capital and reserves					
Called-up share capital	11		1		1
Profit and loss account	12		187,753		112,573
Shareholders' funds	13		<u>187,754</u>		<u>112,574</u>

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The Balance sheet continues on the following page.
The notes on pages 7 to 11 form part of these financial statements.

PAUL McKENNA TRAINING LIMITED

BALANCE SHEET *(continued)*

31 MARCH 2006

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

These financial statements were approved and signed by the director on15/12/06.....

P McKenna
Director



The notes on pages 7 to 11 form part of these financial statements.

PAUL McKENNA TRAINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2006

1. Accounting policies

Basis of accounting

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

Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

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

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Plant & Machinery etc - 25% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

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 that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

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

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.

PAUL McKENNA TRAINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2006

1. Accounting policies (continued)

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting):

	2006	2005 (restated)
	£	£
Director's emoluments	–	53,008
Depreciation of owned fixed assets	26,533	23,767
Operating lease costs:		
-Other	43,295	38,852
Net profit on foreign currency translation	<u>(12)</u>	<u>–</u>

3. Taxation on ordinary activities

(a) Analysis of charge in the year

	2006	2005 (restated)
	£	£
UK Corporation tax	<u>54,101</u>	<u>9,422</u>

(b) Factors affecting current tax charge

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

	2006	2005 (restated)
	£	£
Profit/(loss) on ordinary activities before taxation	<u>304,281</u>	<u>(9,832)</u>
Profit/(loss) on ordinary activities by rate of tax	91,284	(2,950)
Effects of:		
Expenses not deductible for tax purposes	5,581	–
Capital allowances for period in excess of depreciation	3,419	–
Unrelieved tax losses	–	2,950
Tax chargeable at lower rates	(32,057)	–
Adjustments to tax charge in respect of previous periods	<u>(14,126)</u>	<u>9,422</u>
Total current tax (note 3(a))	<u>54,101</u>	<u>9,422</u>

PAUL McKENNA TRAINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2006

4. Dividends

Dividends on equity shares

	2006	2005 (restated)
	£	£
Paid during the year		
Equity dividends on ordinary shares of £1 each	175,000	105,000

5. Prior year adjustment

The prior year adjustment last year related to an increase in the tax charge and the interest due in relation to this.

Prior year adjustment movement	Total £
Payments reallocated as dividends	(30,000)
Amounts written off creditors	30,000
Tax charge understated as a result of the above	(9,825)
Interest on tax charge	(1,344)
Tax relief on interest on tax charge	403
Total prior year adjustment	(10,766)

6. Tangible fixed assets

	Plant and machinery etc. £
Cost	
At 1 April 2005	95,067
Additions	11,067
At 31 March 2006	106,134
Depreciation	
At 1 April 2005	35,365
Charge for the year	26,533
At 31 March 2006	61,898
Net book value	
At 31 March 2006	44,236
At 31 March 2005	59,702

PAUL McKENNA TRAINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2006

7. Debtors

	2006	2005 (restated)
	£	£
Trade debtors	460,670	128,616
Other debtors	347,360	302,799
	<u>808,030</u>	<u>431,415</u>

8. Creditors: Amounts falling due within one year

	2006	2005 (restated)
	£	£
Overdrafts	—	569
Trade creditors	58,635	87,654
Corporation tax	68,227	—
Other taxation and social security	26,744	12,119
Other creditors	1,499,909	662,965
	<u>1,653,515</u>	<u>763,307</u>

9. Creditors: Amounts falling due after more than one year

	2006	2005 (restated)
	£	£
Other creditors	<u>9,422</u>	<u>9,422</u>

10. Related party transactions

The company was under the control of P McKenna throughout the current and previous year. P McKenna is the managing director and majority shareholder.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

PAUL McKENNA TRAINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2006

11. Share capital

Authorised share capital:

	2006	2005 (restated)
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2006 No	£	2005 No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Equity shares				
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

12. Profit and loss account

	2006	2005 (restated)
	£	£
Balance brought forward as previously reported	123,339	236,827
Prior year adjustment (note 5)	(10,766)	—
Balance brought forward restated	112,573	236,827
Profit/(loss) for the financial year	250,180	(19,254)
Equity dividends paid (FRS 25)	(175,000)	(105,000)
Balance carried forward	<u>187,753</u>	<u>112,573</u>

13. Reconciliation of movements in shareholders' funds

	2006	2005 (restated)
	£	£
Profit/(loss) for the financial year	250,180	(19,254)
Equity dividends paid (FRS 25)	(175,000)	(105,000)
Net addition/(reduction) to shareholders' funds	75,180	(124,254)
Opening shareholders' funds	123,340	236,828
Prior year adjustment (see note 5)	(10,766)	—
	<u>112,574</u>	<u>236,828</u>
Closing shareholders' funds	<u>187,754</u>	<u>112,574</u>