

**COLD SNAP LIMITED**

**DIRECTOR'S REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE 2006**



**Wellden  
Turnbull**

Chartered Accountants and  
Chartered Tax Advisers

**UK200Group**

**COLD SNAP LIMITED**

**COMPANY INFORMATION**

**DIRECTOR**

Mrs S Findlay

**SECRETARY**

Mr A Findlay

**COMPANY NUMBER**

5029239

**REGISTERED OFFICE**

3 Tartar Road  
Cobham  
Surrey  
KT11 2AP

**ACCOUNTANTS**

Wellden Turnbull  
Chartered Accountants & Chartered Tax Advisers  
First Floor  
78, Portsmouth Road  
Cobham  
Surrey  
KT11 1PP

# **COLD SNAP LIMITED**

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# COLD SNAP LIMITED

## DIRECTOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2006

The director presents her report and the financial statements for the year ended 30 June 2006.

### PRINCIPAL ACTIVITIES

The company is a corporate franchisee of Recognition Express Limited which involves the sale of badges, awards, trophies, signage, vehicle livery and advertising products.

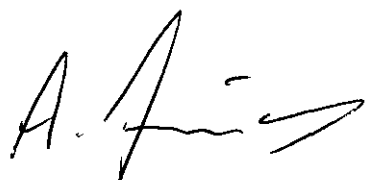
### DIRECTOR

The director who served during the year and her interest in the company's issued share capital was:

	Ordinary shares of £1 each	
	30/6/06	1/7/05
Mrs S Findlay	100	100

The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on <sup>x</sup> 16/10/06 <sup>x</sup> and signed on its behalf.

x  x

**Mr A Findlay**  
Secretary

**COLD SNAP LIMITED**

**ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE  
UNAUDITED FINANCIAL STATEMENTS OF COLD SNAP LIMITED**

In accordance with the engagement letter dated 4 August 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's director in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's director that we have done so, and state those matters that we have agreed to state to her in this 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 director for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet as at 30 June 2006 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements .



**Wellden Turnbull**  
Chartered Accountants  
First Floor  
78, Portsmouth Road  
Cobham  
Surrey  
KT11 1PP

Date: 23 Oct 2006

**COLD SNAP LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	Year ended 30 June 2006 £	Period ended 30 June 2005 £
<b>TURNOVER</b>	1	152,596	83,780
Cost of sales		(87,755)	(47,612)
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		64,841	36,168
Administrative expenses		(42,159)	(36,145)
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	2	22,682	23
Interest receivable		394	283
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		23,076	306
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	3	(3,513)	-
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	9	19,563	306
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 5 to 8 form part of these financial statements.

**COLD SNAP LIMITED**

**BALANCE SHEET  
AS AT 30 JUNE 2006**

	Note	2006		2005	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible fixed assets	4		8,000		9,000
Tangible fixed assets	5		8,358		8,850
			<u>16,358</u>		<u>17,850</u>
<b>CURRENT ASSETS</b>					
Debtors	6	36,276		14,985	
Cash at bank and in hand		17,316		30,566	
		<u>53,592</u>		<u>45,551</u>	
<b>CREDITORS:</b> amounts falling due within one year	7	<u>(60,981)</u>		<u>(62,995)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(7,389)</u>		<u>(17,444)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><u>8,969</u></u>		<u><u>406</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		100		100
Profit and loss account	9		8,869		306
<b>SHAREHOLDERS' FUNDS</b>			<u><u>8,969</u></u>		<u><u>406</u></u>

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 249B(2) of the Act. The director acknowledges her responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 June 2006 and of its profit for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

16 10 06

*S. Findlay*

**Mrs S Findlay**  
Director

The notes on pages 5 to 8 form part of these financial statements.

## **COLD SNAP LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

##### **1.2 Cash flow**

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005).

##### **1.3 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

##### **1.4 Intangible fixed assets and amortisation**

As part of the franchise agreement, the company has paid the franchisor the sum of £10,000 by way of initial franchise fee. The fee is for a term of 10 years and amortisation will be provided to write off the cost of the fee over its expected useful life of 10 years.

##### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	20%	straight line
Office equipment	-	25%	straight line

##### **1.6 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.



# COLD SNAP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### 2. OPERATING PROFIT

The operating profit is stated after charging:

	Year ended 30 June 2006 £	Period ended 30 June 2005 £
Amortisation - intangible fixed assets	1,000	1,000
Depreciation of tangible fixed assets: - owned by the company	2,731	2,283
Director's emoluments	4,884	4,740
	<u>          </u>	<u>          </u>

### 3. TAXATION

	Year ended 30 June 2006 £	Period ended 30 June 2005 £
UK corporation tax charge on profits of the year	3,513	-
	<u>          </u>	<u>          </u>

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2005 - 19%).

There were no factors that may affect future tax charges.

### 4. INTANGIBLE FIXED ASSETS

	Franchise fee £
<b>Cost</b>	
At 1 July 2005 and 30 June 2006	10,000
<b>Amortisation</b>	
At 1 July 2005	1,000
Charge for the year	1,000
At 30 June 2006	2,000
<b>Net book value</b>	
At 30 June 2006	8,000
At 30 June 2005	9,000

**COLD SNAP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006**

**5. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Office equipment £	Total £
<b>Cost</b>			
At 1 July 2005	10,000	1,133	11,133
Additions	2,239	-	2,239
At 30 June 2006	12,239	1,133	13,372
<b>Depreciation</b>			
At 1 July 2005	2,000	283	2,283
Charge for the year	2,448	283	2,731
At 30 June 2006	4,448	566	5,014
<b>Net book value</b>			
At 30 June 2006	7,791	567	8,358
At 30 June 2005	8,000	850	8,850

**6. DEBTORS**

	2006 £	2005 £
Trade debtors	35,838	14,227
Other debtors	438	758
	36,276	14,985

**7. CREDITORS:  
Amounts falling due within one year**

	2006 £	2005 £
Trade creditors	12,594	17,863
Corporation tax	3,513	-
Social security and other taxes	1,986	2,016
Other creditors	42,888	43,116
	60,981	62,995

# COLD SNAP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### 8. SHARE CAPITAL

	2006 £	2005 £
<b>Authorised, allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100

### 9. RESERVES

	Profit and loss account £
At 1 July 2005	306
Profit retained for the year	19,563
Dividends: Equity capital	(11,000)
At 30 June 2006	8,869

### 10. DIVIDENDS

	Year ended 30 June 2006 £	Period ended 30 June 2005 £
Dividends paid on equity capital	11,000	-

### 11. TRANSACTIONS WITH DIRECTORS

During the year, the director paid for company expenses amounting to £539. At the balance sheet date the company owed the director £41,986 (2005 £41,447). Although this amount is repayable on demand, the director has confirmed that she will not withdraw her financial support to the detriment of the company or its other creditors.

### 12. CONTROLLING PARTY

The ultimate controlling party is Mrs S Findlay, director, by virtue of her ownership of 100% of the issued share capital.