

Company Registration No. 3193404 (England and Wales)

SIGNS NOW UK LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

SIGNS NOW UK LIMITED

COMPANY INFORMATION

Directors	Mr R D Forsyth Mr W J Dunphy Mrs C C Forsyth Mrs A M T Dunphy
Secretary	Mr W J Dunphy
Company number	3193404
Registered office	1 Brassey Road Old Potts Way Shrewsbury Shropshire SY3 7FA
Accountants	Dyke Yaxley Limited 1 Brassey Road Old Potts Way Shrewsbury Shropshire SY3 7FA
Business address	Vision House Calibre Industrial Park Enterprise Drive Four Ashes Wolverhampton WV10 7DZ
Bankers	Lloyds TSB Bank Plc 114/116 Colmore Row Birmingham B3 3BD

SIGNS NOW UK LIMITED

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SIGNS NOW UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2007

The directors present their report and financial statements for the year ended 31 December 2007.

Principal activities

The principal activity of the company continued to be that of sign makers.

The company's subsidiary company, Third Associates Limited, also manufactures signs.

Directors

The following directors have held office since 1 January 2007:

Mr R D Forsyth

Mr W J Dunphy

Mrs C C Forsyth

Mrs A M T Dunphy

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	31 December 2007	1 January 2007
Mr R D Forsyth	250	250
Mr W J Dunphy	250	250
Mrs C C Forsyth	250	250
Mrs A M T Dunphy	250	250

SIGNS NOW UK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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;
- 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 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.

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

On behalf of the board



Mr W J Dunphy

Director

5 September 2008

SIGNS NOW UK LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF SIGNS NOW UK LIMITED

In accordance with the engagement letter dated 6 March 2007, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Signs Now UK Limited for the year ended 31 December 2007, set out on pages 4 to 13 from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of 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 Board of Directors that we have done so, and state those matters we have agreed to state to them 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 Board of Directors as a body, 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 31 December 2007 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.


Dyke Yaxley Limited

Chartered Accountants

5 September 2008

1 Brassey Road
Old Potts Way
Shrewsbury
Shropshire
SY3 7FA

SIGNS NOW UK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

		2007	2006
	Notes	£	£
Turnover		1,160,391	1,045,247
Cost of sales		(293,579)	(273,119)
Gross profit		<u>866,812</u>	<u>772,128</u>
Administrative expenses		(727,419)	(662,181)
Operating profit	2	<u>139,393</u>	<u>109,947</u>
Investment income	3	45,000	27,500
Other interest receivable and similar income	3	265	-
Interest payable and similar charges		(6,692)	(8,236)
Profit on ordinary activities before taxation		<u>177,966</u>	<u>129,211</u>
Tax on profit on ordinary activities	4	(29,664)	(20,922)
Profit for the year	15	<u><u>148,302</u></u>	<u><u>108,289</u></u>

SIGNS NOW UK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2007

	Notes	2007		2006	
		£	£	£	£
Fixed assets					
Intangible assets	6		72,000		76,500
Tangible assets	7		151,995		134,703
Investments	8		1		1
			<u>223,996</u>		<u>211,204</u>
Current assets					
Stocks		15,606		14,776	
Debtors	9	139,029		109,597	
Cash at bank and in hand		451		312	
		<u>155,086</u>		<u>124,685</u>	
Creditors: amounts falling due within one year	10	<u>(261,263)</u>		<u>(249,393)</u>	
Net current liabilities			<u>(106,177)</u>		<u>(124,708)</u>
Total assets less current liabilities			117,819		86,496
Creditors: amounts falling due after more than one year	11		(55,680)		(41,605)
Provisions for liabilities	12		(6,703)		(8,757)
			<u>55,436</u>		<u>36,134</u>
Capital and reserves					
Called up share capital	14		1,000		1,000
Profit and loss account	15		54,436		35,134
Shareholders' funds			<u>55,436</u>		<u>36,134</u>

SIGNS NOW UK LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2007

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts 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 this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board for issue on 5 September 2008



Mr W J Dunphy
Director

SIGNS NOW UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Master Licence

The Master Licence is written off in equal annual instalments over its estimated useful economic life.

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 less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	20% straight line
Computer assets	33% straight line
Fixtures, fittings & equipment	10/20% straight line
Motor vehicles	20% straight line

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.9 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Operating profit

	2007	2006
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	4,500	4,500
Depreciation of tangible assets	51,362	34,102
Directors' emoluments	15,482	33,102
	<u> </u>	<u> </u>

SIGNS NOW UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

3	Investment income	2007	2006
		£	£
	Income from shares in group undertakings	45,000	27,500
	Bank interest	265	-
		<u>45,265</u>	<u>27,500</u>
4	Taxation	2007	2006
		£	£
	Domestic current year tax		
	U.K. corporation tax	31,718	22,695
	Current tax charge	<u>31,718</u>	<u>22,695</u>
	Deferred tax		
	Deferred tax charge/credit current year	(2,054)	(1,773)
		<u>29,664</u>	<u>20,922</u>
5	Dividends	2007	2006
		£	£
	Ordinary interim paid	<u>129,000</u>	<u>87,500</u>
6	Intangible fixed assets		Master Licence £
	Cost		
	At 1 January 2007 & at 31 December 2007		<u>90,000</u>
	Amortisation		
	At 1 January 2007		13,500
	Charge for the year		4,500
	At 31 December 2007		<u>18,000</u>
	Net book value		
	At 31 December 2007		<u>72,000</u>
	At 31 December 2006		<u>76,500</u>

SIGNS NOW UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

7 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2007	13,927	263,068	276,995
Additions	-	74,895	74,895
Disposals	-	(16,400)	(16,400)
At 31 December 2007	13,927	321,563	335,490
Depreciation			
At 1 January 2007	3,486	138,806	142,292
On disposals	-	(10,160)	(10,160)
Charge for the year	1,393	49,970	51,363
At 31 December 2007	4,879	178,616	183,495
Net book value			
At 31 December 2007	9,048	142,947	151,995
At 31 December 2006	10,441	124,262	134,703

The net book value of other tangible fixed assets includes £84,463 (2006 - £87,359) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £16,227 (2006 - £16,045) for the year.

SIGNS NOW UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

8 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 January 2007 & at 31 December 2007	1
Net book value	
At 31 December 2007	1
	<u>1</u>
At 31 December 2006	<u>1</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Third Associates Limited	England	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activity	Capital and reserves 2007 £	Profit for the year 2007 £
Third Associates Limited	Sign Making	23,576	36,432

9 Debtors

	2007 £	2006 £
Trade debtors	107,341	82,799
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	583
Other debtors	31,688	26,215
	<u>139,029</u>	<u>109,597</u>

SIGNS NOW UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

10 Creditors: amounts falling due within one year	2007	2006
	£	£
Bank loans and overdrafts	28,399	57,144
Net obligations under hire purchase contracts	24,500	19,136
Trade creditors	101,837	98,320
Amounts owed to group undertakings and undertakings in which the company has a participating interest	21,925	-
Taxation and social security	74,850	54,981
Other creditors	9,752	19,812
	<u>261,263</u>	<u>249,393</u>

The bank loans and overdrafts are secured by way of a fixed and floating charge over all the assets of the company.

11 Creditors: amounts falling due after more than one year	2007	2006
	£	£
Bank loans	1,766	17,067
Net obligations under hire purchase contracts	53,914	24,538
	<u>55,680</u>	<u>41,605</u>
Analysis of loans		
Wholly repayable within five years	16,766	31,067
Included in current liabilities	(15,000)	(14,000)
	<u>1,766</u>	<u>17,067</u>

SIGNS NOW UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

12 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 January 2007	8,757
Profit and loss account	(2,054)
Balance at 31 December 2007	<u>6,703</u>

The deferred tax liability is made up as follows:

	2007 £	2006 £
Accelerated capital allowances	<u>6,703</u>	<u>8,757</u>

13 Pension costs

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2007 £	2006 £
Contributions payable by the company for the year	<u>688</u>	<u>688</u>

14 Share capital

Authorised

1,000 Ordinary shares of £1 each

	2007 £	2006 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid

1,000 Ordinary shares of £1 each

1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
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SIGNS NOW UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2007	35,134
Profit for the year	148,302
Dividends paid	(129,000)
Balance at 31 December 2007	<u>54,436</u>

16 Financial commitments

At 31 December 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2008:

	2007 £	2006 £
Operating leases which expire:		
Within one year	10,400	-
Between two and five years	14,827	24,395
In over five years	48,000	44,000
	<u>73,227</u>	<u>68,395</u>

17 Transactions with directors

One of the properties from which the company trades is owned by a partnership in which each of the directors has a 20% holding. The charge for the year was £48,000 (2006 £44,000).

Included in other creditors are amounts due to the directors of £1,480 (2006 £1,526). These loans are interest free and have no fixed date for repayment.

18 Related party transactions

During the year franchise fees of £2,421 (2006 £2,073) were received from Third Associates Limited, a wholly owned subsidiary. R D Forsyth and W Dunphy are also directors of this company. At the year end £21,924 (2006 £583 due from) was due to Third Associates Limited.

SIGNS NOW UK LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

		2007		2006
	£	£	£	£
Turnover				
Sales		1,125,516		1,006,582
Service fee		34,875		38,665
Cost of sales				
Opening stock of finished goods	3,902		-	
Purchases	289,677		273,119	
		(293,579)		(273,119)
Gross profit	74.70%	866,812	73.87%	772,128
Administrative expenses		(727,419)		(662,181)
Operating profit		139,393		109,947
Other interest receivable and similar income				
Bank interest received		265		-
Income from investments				
Dividends received from subsidiary undertakings		45,000		27,500
Interest payable				
Bank interest paid	1,442		3,811	
Other loan interest	1,888		1,370	
Hire purchase interest paid	3,362		3,055	
		(6,692)		(8,236)
Profit before taxation	15.34%	177,966	12.36%	129,211

SIGNS NOW UK LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2007

	2007	2006
	£	£
Administrative expenses		
Wages and salaries	328,876	298,652
Directors' remuneration	15,482	33,102
Employer's N.I. contributions	31,359	31,358
Staff pension costs	688	688
Staff training	677	2,026
Commissions payable	11,075	6,622
Rent re operating leases	58,389	54,404
Rates	15,436	14,485
Water rates	891	955
Property insurance	1,237	1,309
Other insurance	12,316	9,731
Light and heat	7,269	7,306
Repairs and maintenance	8,139	18,592
Printing, postage and stationery	9,121	8,310
Advertising	40,519	30,309
Telephone	9,496	8,793
Computer running costs	7,590	4,095
Hire of equipment	3,363	5,897
Motor vehicle leasing	13,728	9,909
Motor running expenses	32,805	41,666
Motor insurance and tax	5,415	1,575
Travelling expenses	2,375	4,717
Legal and professional fees	3,310	3,917
Accountancy	4,898	5,165
Bank charges	2,079	4,304
Credit card charges	846	-
Factor Charges	9,199	-
Bad and doubtful debts	8,351	(6,495)
Sundry expenses	12,697	10,676
Subscriptions	1,255	2,407
Royalty paid	11,670	9,104
Depreciation on intangible assets	4,500	4,500
Amortisation on short leasehold	1,392	1,392
Depreciation on plant and machinery	3,561	4,461
Depreciation on fixtures and fittings	28,276	18,668
Depreciation on motor vehicles	18,133	9,581
(Profit)/loss on disposal of tangible fixed assets	1,006	-
	<u>727,419</u>	<u>662,181</u>