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REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2009
FOR
PROSPECT BASE LIMITED

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FOR THE YEAR ENDED 31ST MARCH 2009

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PROSPECT BASE LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31ST MARCH 2009

DIRECTORS: Mr R K Shankar
Mr R Subramanian
Mr K F Campbell
Mr R Hecht

SECRETARY: Mr K F Campbell

REGISTERED OFFICE: Staple Hall
87-90 Houndsditch
London
EC3A 7AD

REGISTERED NUMBER: 4457032 (England and Wales)

ACCOUNTANTS: Butler & Co
Chartered Accountants
3rd Floor Walmar House
288-292 Regent Street
London
W1B 3AL

PROSPECT BASE LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2009

The directors present their report with the financial statements of the company for the year ended 31st March 2009.

PRINCIPAL ACTIVITY

The Company's principle activity during the year was the provision of end to end sales and lead generation for UK based clients. The Company has a membership of 50,000+ businesses, who benefit from discounted pricing on a range of third party products and services. The Company has locally based field force partnerships UK wide and also uses Indian call centres to generate the leads.

REVIEW OF BUSINESS

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

DIVIDENDS

No dividends will be distributed for the year ended 31st March 2009.

DIRECTORS

The directors during the year under review were:

Mr R K Shankar
Mr R Subramanian
Mr K F Campbell
Mr R Hecht

The beneficial interests of the directors holding office on 31st March 2009 in the issued share capital of the company were as follows:

	31.3.09	1.4.08
Ordinary shares £1.00 shares		
Mr R K Shankar	90	90
Mr R Subramanian	10	10
Mr K F Campbell	-	-
Mr R Hecht	-	-

STATEMENT OF 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 these 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.

PROSPECT BASE LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2009

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.

ON BEHALF OF THE BOARD:

K F Campbell
.....
Mr K F Campbell - Secretary

Date: *15/12/09*
.....

PROSPECT BASE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2009

	Notes	2009 £	2008 £
TURNOVER		245,998	249,146
Cost of sales		<u>310,329</u>	<u>474,814</u>
GROSS LOSS		(64,331)	(225,668)
Administrative expenses		<u>199,089</u>	<u>592,741</u>
		(263,420)	(818,409)
Other operating income		<u>170</u>	<u>150</u>
OPERATING LOSS	3	(263,250)	(818,259)
Interest receivable and similar income		<u>97</u>	<u>220</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(263,153)	(818,039)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(263,153)</u>	<u>(818,039)</u>

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 losses for the current year or previous year.

The notes form part of these financial statements

PROSPECT BASE LIMITED

BALANCE SHEET
31ST MARCH 2009

	Notes	2009 £	£	2008 £	£
FIXED ASSETS					
Tangible assets	5		2,071		3,106
Investments	6		-		-
			<u>2,071</u>		<u>3,106</u>
CURRENT ASSETS					
Debtors	7	8,426		8,344	
Cash at bank		2,448		20,031	
		<u>10,874</u>		<u>28,375</u>	
CREDITORS					
Amounts falling due within one year	8	1,396,430		1,151,813	
			<u>(1,385,556)</u>		<u>(1,123,438)</u>
NET CURRENT LIABILITIES					
			<u>(1,385,556)</u>		<u>(1,123,438)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>(1,383,485)</u>		<u>(1,120,332)</u>
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Profit and loss account	10		(1,383,585)		(1,120,432)
			<u>(1,383,485)</u>		<u>(1,120,332)</u>
SHAREHOLDERS' FUNDS					
	11		<u>(1,383,485)</u>		<u>(1,120,332)</u>


The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31st March 2009.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2009 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 15/12/09 and were signed on its behalf by:



Mr R K Shankar - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2009

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared in accordance with applicable accounting standards under the historical cost convention and on a going concern basis.

As at 31 March 2009, current liabilities of the company exceeded its current assets by £1,385,556. However, the directors of the company consider that the going concern basis is appropriate in view of the assurance of the continual financial support that the company has received from its shareholders.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents the invoiced amount of services provided.

The turnover and loss is attributable to the principal activity of the company.

Tangible fixed assets

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

Computer equipment - 33.33% on reducing balance

2. STAFF COSTS

	2009	2008
	£	£
Wages and salaries	24,721	38,597
Social security costs	7,513	5,847
	<u>32,234</u>	<u>44,444</u>

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

	2009	2008
Management	1	1
Consultants	2	2
	<u>3</u>	<u>3</u>

3. OPERATING LOSS

The operating loss is stated after charging:

	2009	2008
	£	£
Depreciation - owned assets	1,035	1,529
Foreign exchange differences	1,043	1,470
	<u>-</u>	<u>-</u>
Directors' emoluments	<u>-</u>	<u>-</u>

PROSPECT BASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2009

4. **TAXATION**

The company has tax losses of £ 1,321,713 (subject to Inland Revenue approval) to carry forward against future profits.

5. **TANGIBLE FIXED ASSETS**

	Computer equipment £
COST	
At 1st April 2008 and 31st March 2009	7,809
DEPRECIATION	
At 1st April 2008	4,703
Charge for year	1,035
At 31st March 2009	5,738
NET BOOK VALUE	
At 31st March 2009	2,071
At 31st March 2008	3,106

6. **FIXED ASSET INVESTMENTS**

The company has investments in "Prospect Base Pty Limited" a company registered in Australia in which it holds 100% of the Ordinary Share Capital of 100 shares @ Aus \$1 each and "Prospect Base Inc." a company registered in Delaware, USA in which it holds 100% of the Ordinary Share Capital of 1500 share @ US \$ 0 par value.

The financial statements contain information about Prospect Base Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a small group.

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

	2009	2008
	£	£
Trade debtors	4,081	1,216
Other debtors	3,040	7,128
VAT	1,305	-
	<u>8,426</u>	<u>8,344</u>

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

	2009	2008
	£	£
Trade creditors	52,392	95,674
Social security and other taxes	2,958	1,958
VAT	-	1,521
Other creditors	1,336,680	1,033,728
Accruals and deferred income	4,400	18,932
	<u>1,396,430</u>	<u>1,151,813</u>

PROSPECT BASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2009

9. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	2009 £	2008 £
1,000,000	Ordinary shares	£1.00	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, issued and fully paid: Number:	Class:	Nominal value:	2009 £	2008 £
100	Ordinary shares	£1.00	<u>100</u>	<u>100</u>

10. RESERVES

	Profit and loss account £
At 1st April 2008	(1,120,432)
Deficit for the year	<u>(263,153)</u>
At 31st March 2009	<u>(1,383,585)</u>

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Loss for the financial year	<u>(263,153)</u>	<u>(818,039)</u>
Net reduction of shareholders' funds	(263,153)	(818,039)
Opening shareholders' funds	<u>(1,120,332)</u>	<u>(302,293)</u>
Closing shareholders' funds	<u>(1,383,485)</u>	<u>(1,120,332)</u>