

Company Registration No 4668888 (England and Wales)

**PROPELLER NET LIMITED**  
**DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

SATURDAY



\*ADXPLWOE\*

A80

26/01/2008

221

COMPANIES HOUSE

# PROPELLERNET LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	Mr J A Jensen Mr J Hubbard
<b>Secretary</b>	Mr J A Jensen
<b>Company number</b>	4668888
<b>Registered office</b>	7 Mill Street Maidstone Kent ME15 6XW
<b>Accountants</b>	Loucas Chartered Certified Accountants 7 Mill Street Maidstone Kent ME15 6XW
<b>Business address</b>	Third Floor 40 Church Road Hove East Sussex BN3 2FN

---

# PROPELLERNET LIMITED

## CONTENTS

---

	<b>Page</b>
Directors' report	1
Profit and loss account	2
Balance sheet	3
Notes to the financial statements	4 - 6

---

# PROPELLERNET LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 MARCH 2007**

---

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

### Principal activities

Propellernet Ltd is engaged in the provision of customer acquisition strategies using search engines. Each campaign delivered is a bespoke solution but areas of core expertise within our organisation are Paid search campaign management, natural search optimisation, user journey analysis, conversion rate optimisation and user centred campaign design.

Our strategy is to provide the most effective search marketing solutions the UK has to offer, thereby becoming the clear choice for a complete search marketing solution for leading UK brands.

The year ending March 07 activities could be summarised as

- successful creation of a set of industry leading services and an industry leading value proposition
- successful recruitment and development of a world class agency search team
- successful creation of operational and financial infrastructure to support the team, strategy and growth

The Propellernet team grew from 5 to 20. Numerous key account wins have driven growth which has since accelerated further. The opening of an office in London and the expansion of our Brighton operations were also key developments.

### Directors

The following directors have held office since 1 April 2006

Mr J A Jensen

Mr J Hubbard

### 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.

By order of the board



Mr J A Jensen

Secretary  
24/01/08

# PROPELLERNET LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2007

---

		2007	2006
	Notes	£	£
Turnover		829,152	519,393
Cost of sales		(391,216)	(192,551)
<b>Gross profit</b>		<u>437,936</u>	<u>326,842</u>
Administrative expenses		(439,575)	(207,348)
<b>Operating (loss)/profit</b>	<b>2</b>	<u>(1,639)</u>	<u>119,494</u>
Other interest receivable and similar income	<b>3</b>	2,173	1,267
<b>Profit on ordinary activities before taxation</b>		<u>534</u>	<u>120,761</u>
Tax on profit on ordinary activities	<b>4</b>	(388)	(23,616)
<b>Profit for the year</b>	<b>11</b>	<u><u>146</u></u>	<u><u>97,145</u></u>

# PROPELLERNET LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2007

	Notes	2007 £	£	2006 £	£
<b>Fixed assets</b>					
Tangible assets	6		13,833		6,680
<b>Current assets</b>					
Debtors	7	198,165		145,117	
Cash at bank and in hand		1,033		27,140	
		<u>199,198</u>		<u>172,257</u>	
<b>Creditors, amounts falling due within one year</b>	8	<u>(194,404)</u>		<u>(104,762)</u>	
<b>Net current assets</b>			<u>4,794</u>		<u>67,495</u>
<b>Total assets less current liabilities</b>			<u>18,627</u>		<u>74,175</u>
<b>Creditors amounts falling due after more than one year</b>	9		<u>(4,306)</u>		<u>-</u>
			<u>14,321</u>		<u>74,175</u>
<b>Capital and reserves</b>					
Called up share capital	10		2		2
Profit and loss account	11		14,319		74,173
<b>Shareholders' funds</b>			<u>14,321</u>		<u>74,175</u>

In preparing these financial statements

- 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,
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for
  - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - 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 2005)

Approved by the Board for issue on 24/01/08

  
Mr J A Jensen  
Director

  
Mr J Hubbard  
Director

# PROPELLERNET LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 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 2005)

#### 1.2 Turnover

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

#### 1.3 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

Fixtures, fittings & equipment	25% straight-line
Motor vehicles	25% straight-line

2	Operating (loss)/profit	2007	2006
		£	£
	Operating (loss)/profit is stated after charging		
	Depreciation of tangible assets	6,141	2,227
	Directors' emoluments	10,120	9,840
		<u>16,261</u>	<u>12,067</u>
3	Interest receivable	2007	2006
		£	£
	Bank interest	844	1,267
	Other interest	1,329	-
		<u>2,173</u>	<u>1,267</u>
4	Taxation	2007	2006
		£	£
	<b>Domestic current year tax</b>		
	U K corporation tax	388	23,616
		<u>388</u>	<u>23,616</u>
	<b>Current tax charge</b>	<u>388</u>	<u>23,616</u>
5	Dividends	2007	2006
		£	£
	Ordinary interim paid	60,000	54,000
		<u>60,000</u>	<u>54,000</u>

# PROPELLERNET LIMITED

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

### 6 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 April 2006	11,269
Additions	13,294
	<hr/>
At 31 March 2007	24,563
	<hr/>
<b>Depreciation</b>	
At 1 April 2006	4,589
Charge for the year	6,141
	<hr/>
At 31 March 2007	10,730
	<hr/>
<b>Net book value</b>	
At 31 March 2007	13,833
	<hr/> <hr/>
At 31 March 2006	6,680
	<hr/> <hr/>

The net book value of tangible fixed assets includes £4,500 in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £1,500 for the year.

7 Debtors	2007	2006
	£	£
Trade debtors	195,319	145,117
Other debtors	2,846	-
	<hr/>	<hr/>
	198,165	145,117
	<hr/> <hr/>	<hr/> <hr/>



# PROPELLERNET LIMITED

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

<b>8</b>	<b>Creditors amounts falling due within one year</b>	<b>2007</b>	<b>2006</b>
		£	£
	Bank loans and overdrafts	43,683	-
	Trade creditors	53,383	32,955
	Taxation and social security	62,162	49,594
	Other creditors	35,176	22,213
		<u>194,404</u>	<u>104,762</u>
<b>9</b>	<b>Creditors amounts falling due after more than one year</b>	<b>2007</b>	<b>2006</b>
		£	£
	Net obligations under finance leases	<u>4,306</u>	<u>-</u>
<b>10</b>	<b>Share capital</b>	<b>2007</b>	<b>2006</b>
		£	£
	<b>Authorised</b>		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<b>Allotted, called up and fully paid</b>		
	2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
<b>11</b>	<b>Statement of movements on profit and loss account</b>		<b>Profit and loss account</b>
			£
	Balance at 1 April 2006		74,173
	Profit for the year		146
	Dividends paid		(60,000)
	Balance at 31 March 2007		<u>14,319</u>