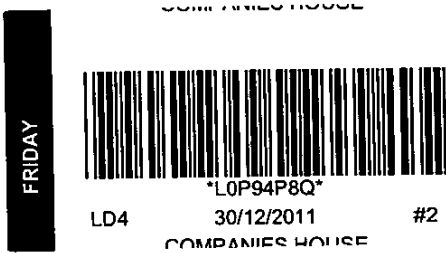


REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011
FOR
PROSPECT BASE LIMITED



PROSPECT BASE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	4
Balance Sheet	5
Notes to the Financial Statements	6
Trading and Profit and Loss Account	9

PROSPECT BASE LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2011

DIRECTORS:

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

REGISTERED OFFICE:

90 Fenchurch Street
London
EC3M 4BY

REGISTERED NUMBER:

4457032 (England and Wales)

ACCOUNTANTS:

Butler & Co LLP
Chartered Accountants
Third Floor
126 - 134 Baker Street
London
W1U 6UE

PROSPECT BASE LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2011

The directors present their report with the financial statements of the company for the year ended 31 March 2011

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 31 March 2011.

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 31 March 2011 in the issued share capital of the company were as follows

	31 3 11	1 4 10
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 Report of the Directors and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting 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 31 MARCH 2011

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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:



Mr R K Shankar - Director

Date 29/12/2011

PROSPECT BASE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
TURNOVER		223,690	297,449
Cost of sales		<u>96,254</u>	<u>236,096</u>
GROSS PROFIT		127,436	61,353
Administrative expenses		<u>89,594</u>	<u>101,643</u>
OPERATING PROFIT/(LOSS) and PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	3	37,842	(40,290)
Tax on profit/(loss) on ordinary activities	4	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u><u>37,842</u></u>	<u><u>(40,290)</u></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 profit for the current year and the loss for the previous year

The notes form part of these financial statements

PROSPECT BASE LIMITED

BALANCE SHEET
31 MARCH 2011

	Notes	2011 £	£	2010 £	£
FIXED ASSETS					
Tangible assets	5		921		1,381
Investments	6		-		-
			<u>921</u>		<u>1,381</u>
CURRENT ASSETS					
Debtors	7	30,223		54,535	
Cash at bank		229		6,924	
		<u>30,452</u>		<u>61,459</u>	
CREDITORS					
Amounts falling due within one year	8	1,417,306		1,486,615	
		<u>1,417,306</u>		<u>1,486,615</u>	
NET CURRENT LIABILITIES			<u>(1,386,854)</u>		<u>(1,425,156)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(1,385,933)</u>		<u>(1,423,775)</u>
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Profit and loss account	10		<u>(1,386,033)</u>		<u>(1,423,875)</u>
SHAREHOLDERS' FUNDS	11		<u>(1,385,933)</u>		<u>(1,423,775)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2011

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2011 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- 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 Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The financial statements were authorised for issue by the Board of Directors on

29/12/2011

and were signed on its behalf by



Mr R K Shankar - Director

The notes form part of these financial statements

PROSPECT BASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

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 2011, current liabilities of the company exceeded its current assets by £1,386,854 (2010 £1,425,156) 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

	2011	2010
	£	£
Wages and salaries	22,851	12,631
Social security costs	1,622	811
	<u>24,473</u>	<u>13,442</u>

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

	2011	2010
Consultants	<u>2</u>	<u>1</u>

3 OPERATING PROFIT/(LOSS)

The operating profit (2010 - operating loss) is stated after charging

	2011	2010
	£	£
Depreciation - owned assets	460	690
Foreign exchange differences	43	-
	<u>503</u>	<u>690</u>
Directors' remuneration	<u>-</u>	<u>-</u>

4 TAXATION

The company has tax losses of £1,289,272 (2010 £1,344,992) (subject to Inland Revenue approval) to carry forward against future profits

PROSPECT BASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2011

5 TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 April 2010 and 31 March 2011	7,809
DEPRECIATION	
At 1 April 2010	6,428
Charge for year	460
At 31 March 2011	6,888
NET BOOK VALUE	
At 31 March 2011	921
At 31 March 2010	1,381

6 FIXED ASSET INVESTMENTS

The company has investments in "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 398 of the Companies Act 2006 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

	2011 £	2010 £
Trade debtors	-	307
Other debtors	30,223	54,228
	<u>30,223</u>	<u>54,535</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade creditors	60,058	74,648
Social security and other taxes	455	290
VAT	3,745	3,224
Other creditors	1,345,548	1,401,953
Accruals and deferred income	7,500	6,500
	<u>1,417,306</u>	<u>1,486,615</u>

9 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	2011 £	2010 £
100	Ordinary shares	£1 00	<u>100</u>	<u>100</u>

PROSPECT BASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2011

10 RESERVES

	Profit and loss account £
At 1 April 2010	(1,423,875)
Profit for the year	<u>37,842</u>
At 31 March 2011	<u><u>(1,386,033)</u></u>

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit/(Loss) for the financial year	<u>37,842</u>	<u>(40,290)</u>
Net addition/(reduction) to shareholders' funds	37,842	(40,290)
Opening shareholders' funds	<u>(1,423,775)</u>	<u>(1,383,485)</u>
Closing shareholders' funds	<u><u>(1,385,933)</u></u>	<u><u>(1,423,775)</u></u>