

GLOBE WIRELESS (UK) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012

WEDNESDAY



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GLOBE WIRELESS (UK) LIMITED

CONTENTS

Officers and professional advisers	1
Directors' report	2
Independent auditor's report	4
Profit and loss account	5
Balance sheet	6
Reconciliation of movement in shareholders' funds	7
Notes to the accounts	8

GLOBE WIRELESS (UK) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS: Gualdino Martins (US)
Tom Black (US) (appointed 19 December 2011)

SECRETARY: Tom Black (US)

REGISTERED OFFICE: 186 Century Building
Brunswick Business Park
Tower Street
Liverpool
L3 4BJ
United Kingdom

REGISTERED NUMBER: 02380744 (England and Wales)

AUDITOR: Deloitte LLP
Chartered accountants and statutory auditor
Liverpool
United Kingdom

GLOBE WIRELESS (UK) LIMITED

DIRECTORS' REPORT

For the year ended 30 April 2012

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report, for the year ended 30 April 2012

The directors' report has been prepared in accordance with the special provisions relating to small companies under Section 417(1) of the Companies Act 2006

PRINCIPAL ACTIVITIES

The company's principal activities are the development, supply and support of data communications systems, message switching, networks and applications. The company is a specialist in cost-effective data communications via satellite links and high frequency ('HF') networks. There have not been any changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any major likely changes in the company's activities in the next year.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The directors consider the performance in the year ended 30 April 2012 to be satisfactory. Future prospects are considered reasonable.

PRINCIPAL RISKS AND UNCERTAINTIES

Approximately 99% of the turnover relates to the recharging of staff and office costs to the ultimate parent company, Globe Wireless LLC.

The company's overseas sales are made in foreign currency, the US Dollar, and the company is therefore exposed to the movement in exchange rates which is factored into the computation when recharging staff and office costs to Globe Wireless LLC. The company has a bank account in US Dollars to help manage this risk.

GOING CONCERN

Globe Wireless LLC continues to provide sufficient financial and other support to Globe Wireless (UK) Ltd to enable the company to discharge its liabilities as they fall due and to continue as a going concern. The group has considerable financial resources together with long term contracts with a number of customers and suppliers across different geographic areas within the maritime industry. As a consequence the directors believe the group is well-placed to manage its business risks successfully despite the current uncertain economic outlook. Having obtained confirmation from the directors of Globe Wireless LLC that financial support will continue to be available to the company for a period of at least 12 months from the date of signing these accounts, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and financial statements.

RESULTS AND DIVIDENDS

The company's results for the financial year are shown on page 5. The financial position of the company at 30 April 2012 is set out in the balance sheet on page 6.

No dividend has been proposed (2011 - £nil)

Turnover on continuing activities for the year totalled £1,225,993 (2011 £1,247,317)

The operating profit for the year was £19,258 (2011 £20,920)

Net assets were £3,315,062 (2011 £3,291,019)

DIRECTORS

The directors of the company who served during the year were

Gualdino Martins (US)

Tom Black (US) (appointed 19 December 2011)

GLOBE WIRELESS (UK) LIMITED

DIRECTORS' REPORT (continued)

For the year ended 30 April 2012

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report 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 Standard 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 year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent, and
- 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 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.

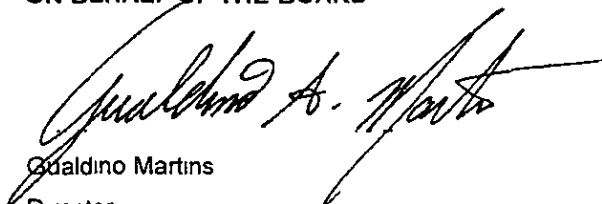
DISCLOSURE OF INFORMATION TO THE AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

ON BEHALF OF THE BOARD



Gualdino Martins
Director

28 September 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBE WIRELESS (UK) LIMITED

We have audited the financial statements of Globe Wireless (UK) Limited for the year ended 30 April 2012, which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 April 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.



William Smith (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Liverpool
United Kingdom
28 September 2012

GLOBE WIRELESS (UK) LIMITED**PROFIT AND LOSS ACCOUNT****For the year ended 30 April 2012**

	Note	2012 £	2011 £
TURNOVER	2	1,225,993	1,247,317
Cost of sales		<u>(39,982)</u>	<u>(56,350)</u>
GROSS PROFIT		1,186,011	1,190,967
Administrative expenses		<u>(1,166,753)</u>	<u>(1,170,047)</u>
OPERATING PROFIT		19,258	20,920
Net interest (payable) / receivable	3	<u>(57)</u>	<u>47</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	19,201	20,967
Tax on profit on ordinary activities	6	<u>4,842</u>	<u>(7,451)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	14	<u>24,043</u>	<u>13,516</u>

All the above results derive from continuing activities

There have been no recognised gains or losses in either year other than as shown in the profit and loss account above, therefore a separate statement of total recognised gains and losses has not been presented

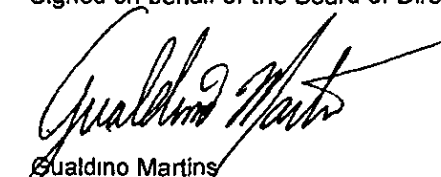
GLOBE WIRELESS (UK) LIMITED

BALANCE SHEET
At 30 April 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	7	198,848	158,921
Investments	8	11,101	11,101
		<u>209,949</u>	<u>170,022</u>
CURRENT ASSETS			
Debtors			
- due within one year	9	424,216	483,681
- due after one year	9	2,671,803	2,671,803
Cash at bank and in hand		124,462	130,699
		<u>3,220,481</u>	<u>3,286,183</u>
CREDITORS' amounts falling due within one year	11	(115,368)	(160,021)
NET CURRENT ASSETS		3,105,113	3,126,162
Provisions for liabilities	12	-	(5,165)
NET ASSETS		<u>3,315,062</u>	<u>3,291,019</u>
CAPITAL AND RESERVES			
Called-up share capital	13	3,000,000	3,000,000
Profit and loss account	14	315,062	291,019
SHAREHOLDERS' FUNDS		<u>3,315,062</u>	<u>3,291,019</u>

These financial statements of Globe Wireless (UK) Limited, registered number 02380744, were approved by the Board of Directors and authorised for issue on 28 September 2012

Signed on behalf of the Board of Directors


Gualdino Martins
Director

GLOBE WIRELESS (UK) LIMITED**RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS****For the year ended 30 April 2012**

	2012	2011
	£	£
Profit for the financial year	<u>24,043</u>	<u>13,516</u>
Net increase in shareholders' funds	24,043	13,516
Opening shareholders' funds	<u>3,291,019</u>	<u>3,277,503</u>
Closing shareholders' funds	<u><u>3,315,062</u></u>	<u><u>3,291,019</u></u>

NOTES TO THE ACCOUNTS

For the year ended 30 April 2012

1. ACCOUNTING POLICIES

The principal accounting policies, which have been applied consistently in the current and prior year, are described below

Accounting convention

The financial statements have been prepared in accordance with applicable law and United Kingdom accounting standards under the historical cost convention

Going concern

The company's business activities together with its performance are set out in the Directors' Report

The majority of Globe Wireless (UK) Limited's turnover relates to the recharging of staff and office costs to its ultimate parent company, Globe Wireless LLC. Globe Wireless LLC continues to provide sufficient financial and other support to Globe Wireless (UK) Ltd to enable the company to discharge its liabilities as they fall due and to continue as a going concern. The group has considerable financial resources together with long term contracts with a number of customers and suppliers across different geographic areas within the maritime industry. As a consequence the directors believe the group is well-placed to manage its business risks successfully despite the current uncertain economic outlook. Having obtained confirmation from the directors of Globe Wireless LLC that financial support will continue to be available to the company for a period of at least 12 months from the date of signing these accounts, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and financial statements.

Cash flow statement

As the company is defined as a small company under Section 382 and 383 of the Companies Act 2006 the directors have not prepared a cash flow statement as permitted by Financial Reporting Standard No 1.

Consolidation

The company has taken advantage of section 401 of the Companies Act 2006 in not producing consolidated financial statements as it is part of a group which itself produces consolidated financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates which will amortise cost over the assets' estimated useful lives on a straight line basis as follows:

Fixtures and fittings	-	5 years
Computer equipment	-	5 years

Investments

Fixed asset investments are held at cost less any provision for impairment.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the timing differences can be deducted.

NOTES TO THE ACCOUNTS

For the year ended 30 April 2012

1 ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Pension costs

The company's employees are members of a defined contribution occupational pension scheme. Employer contributions are charged to the profit and loss account as incurred.

Foreign exchange

Transactions denominated in foreign currencies are translated into the functional currency at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

Related party disclosures

The company has taken advantage of the exemption in paragraph 3(c) of Financial Reporting Standard No 8 "Related Party Transactions" and has not disclosed details of transactions with fellow wholly-owned undertakings within the Globe Wireless LLC group of companies.

2. TURNOVER

Turnover relates to the activities described in the Directors' Report, all of which are continuing. All turnover originates in the UK. Turnover by destination is analysed below.

The majority of turnover is recognised on costs that are recharged as incurred to Globe Wireless LLC as part of the ongoing support contract with Globe Wireless (UK) Limited.

	2012 £	2011 £
Turnover by destination:		
United Kingdom	225	2,418
United States	1,225,768	1,244,899
	<u>1,225,993</u>	<u>1,247,317</u>

3. NET INTEREST (PAYABLE) / RECEIVABLE

	2012 £	2011 £
Bank interest receivable	60	47
Bank interest payable	(117)	-
Net interest (payable) / receivable	<u>(57)</u>	<u>47</u>

GLOBE WIRELESS (UK) LIMITED

NOTES TO THE ACCOUNTS

For the year ended 30 April 2012

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2012 £	2011 £
Profit on ordinary activities is stated after charging		
Depreciation of owned assets	61,271	59,331
Foreign exchange loss	23,913	69,558
Rentals under operating leases		
- hire of plant and machinery	1,169	1,169
- other operating leases	48,772	25,993
Auditor's remuneration		
- audit services for annual accounts	13,000	14,500
- taxation services	7,175	7,849
	<u>61,271</u>	<u>59,331</u>

5. STAFF COSTS AND DIRECTORS' EMOLUMENTS

	2012 £	2011 £
Staff costs		
Wages and salaries	706,124	650,230
Social security costs	73,686	66,255
Other pension costs	32,301	30,954
	<u>812,111</u>	<u>747,439</u>

	2012 No.	2011 No.
The average number of employees employed by the company in the year (including directors) was		
Management and administration	6	4
Technical	17	16
	<u>23</u>	<u>20</u>

The directors' received no emoluments during the year for their services to the company (2011 same)

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2012 £	2011 £
Current taxation		
UK corporation tax at 25 83% (2011 – 27 8%) based on the profit for the year	-	-
Adjustments in respect of previous periods	(3,293)	-
Total current tax	<u>(3,293)</u>	<u>-</u>
Deferred taxation		
Origination and reversal of timing differences	17,274	(7,451)
Adjustments to the estimated recoverable amount of deferred tax balances arising in previous periods	(9,139)	-
Total deferred tax	<u>8,135</u>	<u>(7,451)</u>
Tax credit / (charge) on profit on ordinary activities	<u>4,842</u>	<u>(7,451)</u>

NOTES TO THE ACCOUNTS

For the year ended 30 April 2012

6. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

On 21 March 2012, the UK government announced its intention to reduce the rate of corporation tax to 24% from 1 April 2012 and then by 1% per annum to 22% from 1 April 2014. The reduction to 24% was substantively enacted before the balance sheet date. The deferred tax balances as at 31 March 2012 have therefore been calculated at a rate of 24%. After 31 March 2012 the UK government substantively enacted a reduction in the rate of corporation tax to 23% from 1 April 2013. The further intended reductions have not been substantively enacted.

The differences between the total current tax shown above and the amount calculated by applying the standard rate of corporation tax to the loss before tax are as follows:

	2012 £	2011 £
Profit on ordinary activities before tax	19,201	20,967
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25.83% (2011: 27.8%)	4,960	5,829
Effects of:		
Expenses not deductible for tax purposes	230	2,138
Fixed asset timing differences	17,214	(7,967)
Utilised in the year	(194)	-
Group relief not paid for	(22,210)	-
Adjustments in respect of previous periods	(3,293)	-
Current tax charge for the year	(3,293)	-

7. TANGIBLE FIXED ASSETS

	Computer equipment £	Fixtures and fittings £	Total £
Cost			
At 1 May 2011	559,711	38,096	597,807
Additions	101,594	-	101,594
Disposals	(579)	-	(579)
At 30 April 2012	660,726	38,096	698,822
Accumulated depreciation			
At 1 May 2011	403,067	35,819	438,886
Charge for the year	59,197	2,074	61,271
Disposals	(183)	-	(183)
At 30 April 2012	462,081	37,893	499,974
Net book value			
At 30 April 2012	198,645	203	198,848
At 30 April 2011	156,644	2,277	158,921

GLOBE WIRELESS (UK) LIMITED

NOTES TO THE ACCOUNTS

For the year ended 30 April 2012

8. INVESTMENTS HELD AS FIXED ASSETS

**Investments in
subsidiary
undertakings
£**

At 30 April 2011 and 30 April 2012

11,101

The fixed asset investment relates to 100% of the issued share capital of International Radio Traffic Services UK Limited ("IRTS") IRTS is a company incorporated in England and Wales

9. DEBTORS

**2012 2011
£ £**

**Amounts falling due within one
year:**

Trade debtors	-	2,866
VAT recoverable	4,490	6,442
Amounts owed by group undertakings	359,668	406,050
Prepayments and accrued income	57,088	28,323
Deferred taxation (see note 10)	2,970	-
Corporation tax	-	40,000

424,216 483,681

**2012 2011
£ £**

**Amounts falling due after more than one
year:**

Amounts owed by group undertakings	<u>2,671,803</u>	<u>2,671,803</u>
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10 DEFERRED TAXATION

£

At 1 May 2011 (5,165)

Credited to profit and loss account (note 6) 8,135

At 30 April 2012 2,970

**2012 2011
£ £**

Analysis of deferred tax balance:

Accelerated / (Decelerated) capital allowances	<u>2,970</u>	<u>(5,165)</u>
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GLOBE WIRELESS (UK) LIMITED

NOTES TO THE ACCOUNTS

For the year ended 30 April 2012

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade creditors	24,489	46,296
Other creditors including taxation and social security	1,361	1,602
Accruals and deferred income	89,518	112,123
	<u>115,368</u>	<u>160,021</u>

12 PROVISIONS FOR LIABILITIES

	2012	2011
	£	£
Deferred taxation (see note 10)	<u>-</u>	<u>5,165</u>

13 CALLED-UP SHARE CAPITAL

	2012	2011
	£	£
Allotted and fully paid 3,000,000 ordinary shares of £1 each	<u>3,000,000</u>	<u>3,000,000</u>

14. MOVEMENTS ON RESERVES

	Profit and loss account £
Balance at 1 May 2011	291,019
Profit for the financial year	<u>24,043</u>
Balance at 30 April 2012	<u>315,062</u>

15. OPERATING LEASES

At 30 April 2012 the company was committed to making the following annual payments under operating leases

	Other 2012 £	Other 2011 £	Land and buildings 2012 £	Land and buildings 2011 £
Within one year	240	240	-	-
Within two to five years	<u>-</u>	<u>-</u>	<u>35,800</u>	<u>35,800</u>
	<u>240</u>	<u>240</u>	<u>35,800</u>	<u>35,800</u>

GLOBE WIRELESS (UK) LIMITED

NOTES TO THE ACCOUNTS

For the year ended 30 April 2012

16. ULTIMATE PARENT COMPANY

The company's immediate parent undertaking is Globe Wireless UK Holdings Limited, a company incorporated and registered in England and Wales

The company's ultimate parent undertaking is Globe Wireless, LLC, a limited liability company registered in Delaware, USA. This is the parent company of the smallest and largest group into which these accounts are consolidated. Copies of the group financial statements of Globe Wireless, LLC are available from its registered office at 1571 Robert J Conran Blvd, Palm Bay, Florida 32905, United States of America