

Duelguide RL Limited

Report and Financial Statements

Year Ended

31 March 2011

Company Number 03334623



Duelguide RL Limited

**Report and financial statements
for the year ended 31 March 2011**

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Directors

P C O'Driscoll
M R Turner

Registered office

4th Floor, Millbank Tower, 21-24 Millbank, London, SW1P 4QP

Company number

03334623

Auditors

Deloitte LLP, London

Duelguide RL Limited

Report of the directors for the year ended 31 March 2011

The directors present their report together with the audited financial statements for the year ended 31 March 2011. The report of the directors has been prepared in accordance with the provisions applicable to the small companies' regime.

Results and dividend

The profit and loss account is set out on page 5 and shows the result for the year. The Company made a profit of £5,070,000 for the year ended 31 March 2011 (2010: £177,270,000). The directors do not propose the payment of a dividend (2010: £nil).

Principal activities, business review and future outlook

The principal activity of the Company is investment in entities which hold intercompany borrowings for related parties and fellow subsidiaries.

On 21 April 2010, The Global Switch Limited Partnership (in which Duelguide RL Limited holds a 25% share) sold Global Switch Property Holding B.V. to ICT Centre Holding B.V. for £165,330,411 resulting in a profit on disposal of investment of £159,525,192. On the same day, The Global Switch Limited Partnership paid a dividend of £165,330,411 to its partners. A dividend of £41,331,234 was paid to Duelguide RL Limited.

During the year, the Company made a provision for the impairment of its investment in The Global Switch Limited Partnership of £33,859,000.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

Directors

The directors of the Company during the year and up to the date of signing these financial statements were:

P. C. O'Driscoll
M. R. Turner

None of the directors who held office at the end of the financial year had an interest in the equity of the Company or of any other group company.

Certain directors benefit from qualifying third party indemnity provisions in place during the financial period and at the date of this report. The Company provided qualifying third party indemnity provisions to certain directors of associated companies during the financial period and at the date of this report.

Duelguide RL Limited

Report of the directors for the year ended 31 March 2011 (*Continued*)

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 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 judgments 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 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.

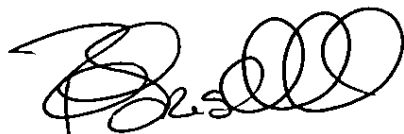
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place / are being made for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by



P C O'Driscoll
Director

15th December 2011

Duelguide RL Limited

Independent auditor's report

TO THE MEMBERS OF DUELGUIDE RL LIMITED

We have audited the financial statements of Duelguide RL Limited for the year ended 31 March 2011 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. 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 auditors

As explained more fully in the statement of directors' responsibilities, 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 (APB'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 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 31 March 2011 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 matters 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.

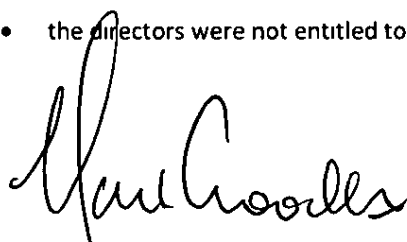
Duelguide RL Limited

Independent auditor's report (*Continued*)

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



Mark Goodey (Senior statutory auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

15 December 2011

Duelguide RL Limited

Profit and loss account for the year ended 31 March 2011

	Note	2011 £'000	2010 £'000
Administrative expenses		-	(3)
Impairment of investments	2	(33,859)	-
Operating loss		(33,859)	(3)
Other (expense)/income		(1,559)	12
Income from participating interests		41,331	175,000
Interest payable and similar charges	4	(843)	(6,918)
Profit on ordinary activities before taxation	2	5,070	168,091
Taxation on profit on ordinary activities	5	-	9,179
Profit for the financial year	10	5,070	177,270

All amounts relate to continuing activities. There were no recognised gains or losses during the year other than those disclosed in the profit and loss account.

The notes on pages 7 to 12 form part of these financial statements.

Duelguide RL Limited

Balance sheet
at 31 March 2011

Company number 03334623	Note	2011 £'000	2010 £'000
Fixed assets			
Investments	6	84,537	118,396
Current assets			
Debtors	7	119,718	111,615
Creditors, amounts falling due within one year	8	(14,177)	(129,915)
Net current assets/(liabilities)		105,541	(18,300)
Total assets less current liabilities		190,078	100,096
Creditors: amounts falling due after more than one year	8	(84,912)	-
Net assets		105,166	100,096
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account	10	105,166	100,096
Equity shareholder's funds	10	105,166	100,096

The financial statements were approved by the Board of Directors and authorised for issue on 15th December 2011 and signed on their behalf by



P C O'Driscoll
Director

The notes on pages 7 to 12 form part of these financial statements

Duelguide RL Limited

Notes forming part of the financial statements for the year ended 31 March 2011

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with United Kingdom Generally Accepted Accounting Practice applicable accounting standards

The directors have reviewed the current and projected financial position of the Company, making reasonable assumptions about the future trading performance. After making enquiries, the directors have a reasonable expectation that the Company has 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.

The following principal accounting policies have been applied

Consolidation

The Company is a wholly owned subsidiary of and is included in the consolidated financial statements of Global Switch Holdings Limited. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements. These financial statements therefore present the results of the Company only.

Cash flow statement

The Company has taken advantage of the exemption available to small companies and has not prepared a cash flow statement.

Investments

Investments are held at cost less provision for impairment. Investments are subject to an impairment review when there are indications that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and value in use.

Taxation and deferred taxation

The charge for taxation is based on the results for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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.

Provision is made for deferred tax on all timing differences that have originated but not reversed at the balance sheet date, where an event has occurred that results in an obligation to pay more or less tax in the future, except that deferred tax assets are recognised only to the extent that it is more likely than not that there will be suitable taxable profit from which future reversal of the relevant timing differences can be deducted. 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 an undiscounted basis.

Foreign currencies

Transactions recognised in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

Duelguide RL Limited

Notes forming part of the financial statements
for the year ended 31 March 2011 (*Continued*)

1 Accounting policies (*Continued*)

Employees

The Company did not have any employees in the current or prior period

Related party transactions

The Company is a wholly-owned subsidiary of Global Switch Limited and is included in the consolidated financial statements of Global Switch Holdings Limited. The address of its registered office is Palm Chambers, 197 Main Street, PO Box 3174, Road Town, Tortola, British Virgin Islands

Consequently the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned entities which form part of the group

2 Profit on ordinary activities before taxation

This is stated after charging/(crediting)

	2011 £'000	2010 £'000
Auditor's remuneration - audit	-	5
Foreign currency exchange losses/(gains)	1,559	(12)
Impairment of investments (see note 6)	33,859	-
	<u>33,859</u>	<u>-</u>

Auditor's remuneration of £2,000 has been borne by Global Switch Limited in the current year

During the year the Company made a provision for the impairment of its investment in The Global Switch Limited Partnership of £33,859,000

3 Directors' remuneration

The directors did not receive any remuneration in respect of their services to the Company during the year (2010 £nil)

4 Interest payable and similar charges

	2011 £'000	2010 £'000
Interest payable to related parties	921	919
Interest payable to fellow subsidiary undertakings	(78)	5,999
	<u>843</u>	<u>6,918</u>

Duelguide RL Limited

Notes forming part of the financial statements
for the year ended 31 March 2011 (*Continued*)

5 Taxation on profit on ordinary activities

a) Analysis of tax charge in the year

	2011 £'000	2010 £'000
<i>Current tax</i>		
UK corporation tax at 28% (2010 28%)	-	-
<i>Deferred tax</i>		
Accelerated capital allowances	-	9,179
	<hr/>	<hr/>
Taxation on profit on ordinary activities	-	9,179
	<hr/>	<hr/>

b) Factors affecting the tax charge for the year

The differences between the tax assessed for the year and the standard rate of corporation tax in the UK are explained below

	2011 £'000	2010 £'000
Profit on ordinary activities before taxation	5,070	168,091
	<hr/>	<hr/>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 28% (2010 28%)	1,420	47,065
Effects of		
Non-assessable income items and permanent differences	(11,573)	(49,000)
Share of Partnership profits	549	2,664
Group relief	2,639	54
Utilisation of trading losses brought forward	-	(783)
Losses available for future utilisation	6,965	-
	<hr/>	<hr/>
Current tax charge for the year	-	-
	<hr/>	<hr/>

c) Factors that may affect future tax charges

Future tax charges of the Company may be affected by the availability of tax losses from previous years and the surrender of tax losses from other UK Group companies

A deferred tax asset of £6,468,000 (2010 £nil) in respect of non-trading losses has not been recognised in the current period as it is not deemed 'more likely than not' that the asset will be reversed in the foreseeable future

Duelguide RL Limited

Notes forming part of the financial statements
for the year ended 31 March 2011 (Continued)

6 Investments

	Investment in subsidiaries £'000	Other investments £'000	Total £'000
<i>Cost</i>			
At 1 April 2010 and 31 March 2011	61,406	56,990	118,396
<i>Impairment</i>			
At 1 April 2010	-	-	-
Charged during the year	-	33,859	33,859
At 31 March 2011	-	33,859	33,859
<i>Net book value</i>			
At 31 March 2011	61,406	23,131	84,537
At 31 March 2010	61,406	56,990	118,396

The only subsidiary undertaking, which has share capital consisting entirely of ordinary shares is as follows

Name	Principal activity	Percentage owned	Country of incorporation
Chatham Property SA	Non-operating company	100%	British Virgin Islands

The other investment represents a Limited Partnership interest as follows

Name	Principal activity	Percentage owned	Country of incorporation
The Global Switch Limited Partnership	Non-operating company	25%	England and Wales

During the year, the Company made a provision for the impairment of its investment in the The Global Switch Limited Partnership of £33,859,000

7 Debtors

<i>Amounts falling due within one year</i>	2011 £'000	2010 £'000
Amounts due from related parties	107,681	111,568
Amounts due from fellow subsidiary undertakings	12,037	47
	<u>119,718</u>	<u>111,615</u>

Amounts due from related parties include amounts owed by Zedium Estates Limited of £107,681,000 (2010 £111,568,000) These balances are unsecured, repayable on demand and non-interest bearing This entity is under common control

Duelguide RL Limited

Notes forming part of the financial statements
for the year ended 31 March 2011 (*Continued*)

8 Creditors

<i>Amounts falling due within one year</i>	2011 £'000	2010 £'000
Amounts due to related parties	14,177	102,060
Amounts due to fellow subsidiary undertakings	-	27,852
Accruals and deferred income	-	3
	14,177	129,915
 <i>Amounts falling due after more than one year</i>	 2011 £'000	 2010 £'000
Amounts due to related parties	84,912	-

Amounts due to related parties include amounts owed to Global Switch Sarl of £87,885,000 (2010 £86,968,000) £84,912,000 of this balance is repayable on 31 March 2016 and bears interest at 1% above the Bank of England base rate. The remainder is unsecured, repayable on demand and non-interest bearing. Amounts due to related parties also include amounts owed to Zedium Estates Limited of £nil (2010 £3,888,000) and GS Finco Limited of £11,204,000 (2010 £11,204,000) which are unsecured, repayable on demand and non-interest bearing. All of these entities are under common control.

9 Share capital

	2011 Number	2010 Number	Allotted, called up and fully paid 2011 £	2010 £
Ordinary shares of £1 each	2	2	2	2

10 Reconciliation of movements in shareholder's funds

	Share capital (*) £'000	Profit and loss account £'000	2011 Total £'000	2010 Total £'000
Opening shareholder's funds/(deficit)	-	100,096	100,096	(77,174)
Profit for the financial year	-	5,070	5,070	177,270
Closing shareholder's funds	-	105,166	105,166	100,096

* Less than £1,000

Duelguide RL Limited

Notes forming part of the financial statements
for the year ended 31 March 2011 *(Continued)*

11 Ultimate and immediate holding company

The immediate holding company is Global Switch Limited, a company registered in England and Wales

The largest and smallest group in which the results of the Company are consolidated is the Global Switch Holdings Limited group

The ultimate holding and controlling entity is Landal Worldwide Corporation, a company registered in the British Virgin Islands. The ultimate controlling parties are David and Simon Reuben.

12 Post balance sheet events

On 23 September 2011 the Global Switch Holdings Limited group performed an exercise to capitalise all related party balances held by group companies. Balances held by Duelguide RL Limited with related parties were re-allocated to fellow subsidiary undertakings.