

Financial Statements

Global Display Solutions Limited

For the year ended 31 December 2011

Registered number: 03947959



Company Information

Directors	G Cariolato E Grodzinski R F Swetman
Company secretary	R M Ellinger
Company number	03947959
Registered office	Unit 6 Cobham Centre Westmead Industrial Estate Westlea Swindon Wiltshire SN5 7UJ
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor No 1 Whitehall Riverside Leeds West Yorkshire LS1 4BN

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Directors' Report

For the year ended 31 December 2011

The directors present their report and the financial statements for the year ended 31 December 2011

Principal activities

The principal activity of the company is the design and supply of electronic display solutions

Going concern

The company's ultimate parent company, GDS Holdings SRL, has confirmed that it will continue to support the company's funding requirements

Directors

The directors who served during the year were

G Carolato
E Grodzinski
R E Swetman

The group company holds insurance for directors

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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). 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 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

Directors' Report

For the year ended 31 December 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.

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28 June 2012 and signed on its behalf



R E Swetman
Director



Independent Auditor's Report to the Members of Global Display Solutions Limited

We have audited the financial statements of Global Display Solutions Limited for the year ended 31 December 2011, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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.



Independent Auditor's Report to the Members of Global Display Solutions Limited

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report

Grant Thornton UK LLP

Matthew Stroh (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Leeds

Date *23/7/2012*

Profit and Loss Account

For the year ended 31 December 2011

	Note	2011 £	2010 £
Turnover	1	569,578	481,149
Cost of sales		(535,635)	(341,708)
Gross profit		33,943	139,441
Administrative expenses		(541,826)	(1,162,096)
Other operating income	2	977,587	944,580
Operating profit/(loss)	3	469,704	(78,075)
Other finance income		-	1,250,000
Profit on ordinary activities before taxation		469,704	1,171,925
Tax on profit on ordinary activities	5	(19,000)	-
Profit for the financial year	12	450,704	1,171,925

The notes on pages 7 to 13 form part of these financial statements


Balance Sheet

As at 31 December 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	6		21,356		27,611
Investments	7		283,667		283,667
			<u>305,023</u>		<u>311,278</u>
Current assets					
Stocks		47,167		54,845	
Debtors	8	3,335,619		2,642,749	
Cash at bank		81,950		62,829	
		<u>3,464,736</u>		<u>2,760,423</u>	
Creditors amounts falling due within one year	9	(1,373,165)		(1,782,994)	
Net current assets			<u>2,091,571</u>		<u>977,429</u>
Total assets less current liabilities			<u>2,396,594</u>		<u>1,288,707</u>
Creditors: amounts falling due after more than one year	10		(657,183)		-
Net assets			<u><u>1,739,411</u></u>		<u><u>1,288,707</u></u>
Capital and reserves					
Called up share capital	11		1,300,000		1,300,000
Other reserves	12		28,316		28,316
Profit and loss account	12		411,095		(39,609)
Shareholders' funds			<u><u>1,739,411</u></u>		<u><u>1,288,707</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 June 2012



R E Swetman
Director

The notes on pages 7 to 13 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 December 2011

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The company's ultimate parent company, GDS Holdings SRL, has confirmed that it will continue to support the company's funding requirements

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long term contracts and contracts for on-going services is recognised by reference to the stage of completion

1.4 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

L/Term Leasehold Property	-	Over the period of the lease
Plant & machinery	-	10% - 15% straight line
Fixtures & fittings	-	20% straight line
Equipment	-	10% and 25% straight line

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment

1.6 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress

Notes to the Financial Statements

For the year ended 31 December 2011

1. Accounting Policies (continued)

1.7 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. Other operating income

	2011	2010
	£	£
Other operating income	977,587	944,580

3. Operating profit/(loss)

The operating profit/(loss) is stated after charging

	2011	2010
	£	£
Depreciation of tangible fixed assets		
- owned by the company	9,718	11,765
Auditors' remuneration	15,000	10,473
Pension costs	41,007	45,384

4. Directors' remuneration

	2011	2010
	£	£
Aggregate emoluments	154,800	157,858

During the year retirement benefits were accruing to 1 director (2010 - 1) in respect of defined contribution pension schemes.

Notes to the Financial Statements

For the year ended 31 December 2011

5. Taxation

	2011 £	2010 £
UK corporation tax charge on profit for the year	19,000	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 26% (2010 - 28%). The differences are explained below:

	2011 £	2010 £
Profit on ordinary activities before tax	469,704	1,171,925
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2010 - 28%)	122,124	328,139
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	519	5,841
Capital allowances for year in excess of depreciation	(3,959)	(5,173)
Short term timing difference leading to an increase (decrease) in taxation	(96,614)	24,911
Non-taxable income	(2,781)	(358,726)
Other differences leading to an increase (decrease) in the tax charge	(289)	5,008
Current tax charge for the year (see note above)	19,000	-

6. Tangible fixed assets

	L/Term Leasehold Property £	Plant & machinery £	Fixtures & fittings £	Office equipment £
Cost				
At 1 January 2011	31,660	28,871	102,731	470,500
Additions	-	-	-	3,493
Disposals	-	-	-	(481)
At 31 December 2011	31,660	28,871	102,731	473,512
Depreciation				
At 1 January 2011	31,660	28,570	89,084	456,837
Charge for the year	-	150	1,752	7,816
On disposals	-	-	-	(451)
At 31 December 2011	31,660	28,720	90,836	464,202
Net book value				
At 31 December 2011	-	151	11,895	9,310

Notes to the Financial Statements

For the year ended 31 December 2011

6. Tangible fixed assets (continued)

At 31 December 2010	-	301	13,647	13,663
				Total
				£
Cost				
At 1 January 2011				633,762
Additions				3,493
Disposals				(481)
At 31 December 2011				636,774
Depreciation				
At 1 January 2011				606,151
Charge for the year				9,718
On disposals				(451)
At 31 December 2011				615,418
Net book value				
At 31 December 2011				21,356
At 31 December 2010				27,611

7. Fixed asset investments

	Investments in subsidiary companies
	£
Cost and net book value	
At 1 January 2011 and 31 December 2011	283,667
Net book value	
At 31 December 2011	283,667
At 31 December 2010	283,667

Notes to the Financial Statements

For the year ended 31 December 2011

7. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
iBlink Limited	Ordinary	100%
GDS Group Limited	Ordinary	100%
B F Technology Limited	Ordinary	75%

Name	Business
iBlink Limited	Dormant
GDS Group Limited	Dormant
B F Technology Limited	Design and supply of electronic display solutions

8. Debtors

	2011 £	2010 £
Due after more than one year		
Amounts owed by group undertakings	386,533	386,533
Due within one year		
Trade debtors	308,651	163,151
Amounts owed by group undertakings	2,625,478	2,038,048
Other debtors	14,957	55,017
	<u>3,335,619</u>	<u>2,642,749</u>

9. Creditors:

Amounts falling due within one year

	2011 £	2010 £
Trade creditors	183,464	158,096
Amounts owed to group undertakings	906,005	1,502,629
Corporation tax	19,000	-
Social security and other taxes	84,544	20,910
Other creditors	180,152	101,359
	<u>1,373,165</u>	<u>1,782,994</u>

Notes to the Financial Statements

For the year ended 31 December 2011

10. Creditors:

Amounts falling due after more than one year

	2011 £	2010 £
Amounts owed to group undertakings	657,183	-

11. Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
1,300,000 "A" Ordinary Voting shares of £1 each	1,300,000	1,300,000

12. Reserves

	Other reserves £	Profit and loss account £
At 1 January 2011	28,316	(39,609)
Profit for the year		450,704
At 31 December 2011	28,316	411,095

13. Dividends

	2011 £	2010 £
Dividends paid on equity capital	-	8,117,596

Equity dividends of £6 24 per "A" ordinary share were paid during the prior year

Notes to the Financial Statements

For the year ended 31 December 2011

14. Related party transactions

During the year the company received capital repayments of £15,814 (2010 £nil) on a loan receivable from B F Technology Limited. The company charged interest of £nil (2010 £6,803) on the loan during the year.

The total loan outstanding at the year end was £299,038 (2010 £314,852).

Global Display Solutions Limited owns 75% of the ordinary share capital of B F Technology Limited.

The company made purchases from B F Technology Limited of £3,679 (2010 £nil), all of which was outstanding at the period end.

The company sold services and goods to B F Technology Limited of £8,007 (2010 £nil), all of which was outstanding at the period end.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

15. Ultimate parent undertaking and controlling party

The company's immediate parent company is Global Display Solutions SPA, incorporated in Italy, by virtue of its holding of 100% of the issued share capital. The company's ultimate controlling related party, and the only group into which these results are consolidated, is GDS Holdings SRL, incorporated in Italy.