

GES SERVICE COMPANIES LIMITED

Report and Financial Statements

31 December 2009

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Deloitte LLP
Leeds

GES SERVICE COMPANIES LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

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GES SERVICE COMPANIES LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

N J Marshall
P B Dykstra
E M Ingersoll

SECRETARY

P D McKenna

REGISTERED OFFICE

Unit 1 Perimeter Road
National Exhibition Centre
Birmingham
B40 1PJ

AUDITORS

Deloitte LLP
Chartered Accountants and Statutory Auditors
Leeds

GES SERVICE COMPANIES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2009

PRINCIPAL ACTIVITIES

The principal activity of the company is the provision of exhibition and data registration services to organisers of exhibitions and events, exhibitors and exhibition venues

Turnover for the Group amounted to £44.1m (2008 £53.8m) The profit for the year amounted to £0.1m (2008 £2.1m)

The results of the Group continue to develop in line with expectations

GOING CONCERN

The directors have reviewed the financial position of the company, including the consideration of the uncertainties arising from the current difficult economic environment and consequential impact of this upon trading and financing. The company undertakes forecasts and projections of trading and cash flows on a regular basis and identifies areas of focus for management.

Based on the Group's continued profitable performance post balance sheet, the strength of its balance sheet and its positive cash position, the directors believe 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 financial statements.

DIVIDENDS

The Group paid an interim dividend of £nil (2008 £2.5m) during the period and the directors recommend that no final dividend be declared. Accordingly, the profit for the period of £0.1m (2008 £2.1m) will be transferred to the reserves.

BUSINESS REVIEW

The market in which the Group operates continues to be challenging as a result of continuous price pressure on core services in an extremely competitive market. Smaller niche exhibitions are being launched which generate smaller average exhibition revenues but still require the same level of management resource as a larger, more mature exhibition. Increased Health and Safety regulation also continues to provide significant challenges to the business.

STRATEGY

Management believes that the Group is well positioned to continue delivering and developing its level of profitability through the development and extension of existing client relationships, targeting new relationships in and outside of the home UK marketplace and seizing and executing exceptional project opportunities.

RESEARCH AND PRODUCT DEVELOPMENT

The Group continually looks to innovate and develop new products.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Group's strategy are subject to a number of risks. These are set out below. Risks are formally reviewed by management and appropriate procedures put in place to monitor and mitigate them.

Renewal of Contracts

The Group is in the position of having a substantial amount of its future revenues contracted on a long-term basis. The loss of a contract could have a detrimental effect on the Group although this could release equipment and resource for use in other exhibitions or events.

GES SERVICE COMPANIES LIMITED

DIRECTORS' REPORT

PRINCIPAL RISKS AND UNCERTAINTIES (Continued)

Cancellation of an Event at Short Notice

The consequences of the above may mean the loss of revenue and because of the short notice an inability to use the equipment on other projects, thus not generating replacement revenues

Health and Safety

The Group has a stated commitment to and a reputation for rigorous health and safety compliance. An incident relating to the use of company's equipment could have a detrimental effect of the future performance of the company. The Group employs a full time Health and Safety Officer dedicated to ensuring the safety of clients, visitors and staff on site and on the Group's premises

Credit Management

Credit risk is mitigated by ensuring that a significant proportion of a contract's value is collected before the handover of the project to the client

PERFORMANCE MANAGEMENT

The performance of the Group is continually reviewed formally at executive team meetings. The management team reviews forecasted revenue and operating profit every week to ensure targets are being adhered to. This culminates in a formal monthly review of financial forecasts by the controlling company, Viad Corp, incorporated in the United States of America

DIRECTORS AND INTERESTS

The following directors held office during the year and subsequently

N J Marshall
P B Dykstra
E M Ingersoll

CREDITOR PAYMENT POLICY

Where the supply of goods and services is satisfactory and in the absence of any dispute, the Group's policy is to pay its suppliers in accordance with the terms agreed upon prior to the supply of goods and services. Where no such agreement exists, the Group's policy is to pay suppliers in accordance with the terms contained in the invoice

EMPLOYEE INVOLVEMENT

The Group has a policy of keeping employees informed and seeks their views on matters of common concern. This is principally dealt with through the managers of each division and via regular works council meetings with employees and a formal presentation to the whole company by the CEO every six months

DISABLED EMPLOYEES

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person

Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to disabled employees wherever appropriate

GES SERVICE COMPANIES LIMITED

DIRECTORS' REPORT

AUDITORS

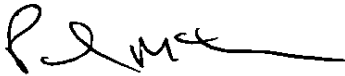
Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

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

Deloitte LLP have expressed their willingness to continue in office as auditors. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board



P D McKenna
Secretary
27 May 2010

GES SERVICE COMPANIES LIMITED

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). 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 accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GES SERVICE COMPANIES LIMITED

We have audited the financial statements of GES Service Companies Limited for the year ended 31 December 2009 which comprise the Consolidated profit and loss account, the Consolidated and company balance sheets, the Consolidated cash flow statement and the related notes 1 to 23. 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 auditors' 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 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 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 group's and the parent 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.

Opinion on the financial statements

In our opinion, the financial statements

- give a true and fair view of the state of the group and company's affairs as at 31 December 2009 and of the group's 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.

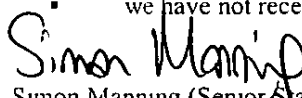
Opinion on other matter prescribed by the Companies Act 2006

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 requirements and International Standards on Auditing (UK and Ireland).

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 parent company 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.


Simon Manning (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Leeds, UK

28 May 2010

GES SERVICE COMPANIES LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT Year ended 31 December 2009

	Note	2009 £'000	2008 £'000
TURNOVER	2	44,054	53,842
Cost of sales		(27,070)	(33,997)
Gross profit		16,984	19,845
Net operating expenses	4	(15,789)	(16,479)
Exceptional items	5	(502)	-
Total operating expenses		(16,291)	(16,479)
OPERATING PROFIT		693	3,366
Interest receivable	6	1	15
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		694	3,381
Tax on profit on ordinary activities	7	(668)	(1,274)
PROFIT FOR THE YEAR	20	26	2,107

The profit for the year is derived entirely from continuing operations

There are no recognised gains or losses in the current or prior periods other than the profit for the year stated above, therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the results presented on an historical cost basis and those presented above

GES SERVICE COMPANIES LIMITED

CONSOLIDATED BALANCE SHEET 31 December 2009

	Note	2009 £'000	2008 £'000
FIXED ASSETS			
Intangible assets	8	16,973	18,268
Tangible assets	9	6,284	5,214
		<u>23,257</u>	<u>23,482</u>
CURRENT ASSETS			
Stocks	11	952	599
Debtors	12	5,849	5,697
Cash at bank and in hand		679	3,540
		<u>7,480</u>	<u>9,836</u>
CREDITORS: amounts falling due within one year	14	<u>(11,370)</u>	<u>(13,944)</u>
NET CURRENT LIABILITIES		<u>(3,890)</u>	<u>(4,108)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>19,367</u>	<u>19,374</u>
PROVISION FOR LIABILITIES	15	<u>(823)</u>	<u>(856)</u>
NET ASSETS		<u><u>18,544</u></u>	<u><u>18,518</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	-	-
Share premium account	18	17,725	17,725
Profit and loss account	19	819	793
SHAREHOLDERS' FUNDS	20	<u><u>18,544</u></u>	<u><u>18,518</u></u>

These financial statements for GES Service Companies Limited, registered number (6067905) were approved by the Board of Directors on 27 May 2010

Signed on behalf of the Board of Directors



N J Marshall

Director

GES SERVICE COMPANIES LIMITED

COMPANY BALANCE SHEET 31 December 2009

	Note	2009 £'000	2008 £'000
FIXED ASSETS			
Investments	10	17,725	17,725
NET ASSETS		<u>17,725</u>	<u>17,725</u>
CAPITAL AND RESERVES			
Called up share capital	17	-	-
Share premium account	18	17,725	17,725
Profit and loss account	19	-	-
SHAREHOLDERS' FUNDS	20	<u>17,725</u>	<u>17,725</u>

GES SERVICE COMPANIES LIMITED

CONSOLIDATED CASH FLOW STATEMENT 31 December 2009

	Note	2009 £'000	2008 £'000
Net cash inflow from operating activities	16	<u>1,839</u>	<u>4,252</u>
Returns on investments and servicing of finance			
Interest Received		<u>1</u>	<u>15</u>
Net cash inflow from returns on investments and servicing of finance		<u>1</u>	<u>15</u>
Taxation			
UK Corporation tax paid		<u>(663)</u>	<u>(770)</u>
Capital Expenditure and financial investment			
Purchase of tangible fixed assets		(2,495)	(3,130)
Dividends paid		<u>-</u>	<u>(2,500)</u>
Cash outflow from capital expenditure and financial investment		<u>(2,495)</u>	<u>(5,630)</u>
Decrease in cash in the period		(1,318)	(2,133)
Cash at beginning of period		1,863	3,996
Effect of foreign exchange		<u>(71)</u>	<u>-</u>
Cash at end of period		<u>474</u>	<u>1,863</u>
Cash at balance sheet date consists of:			
Cash at bank and in hand		679	3,540
Bank overdraft (note 14)		<u>(205)</u>	<u>(1,677)</u>
		<u>474</u>	<u>1,863</u>

GES SERVICE COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, through consistent application of these accounting policies. The principal accounting policies consistently applied in the preparation of the accounts of the Company are described below.

Going concern

Following the review of the company as discussed in the Directors' Report, 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 financial statements.

Basis of consolidation

The Group financial statements consolidate the accounts of the Company and all its subsidiary undertakings made up to 31 December for each year. Business combinations are accounted for by the acquisition method of accounting. The results of subsidiary undertakings acquired during the period are included in the consolidated profit and loss account from the effective date of acquisition. Those companies sold during the period are included up to the effective date of disposal. Turnover and profits arising on trading between Group companies are eliminated fully on consolidation. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. All changes to these assets and liabilities that arise after the Group gained control of the subsidiary are charged or credited to the post acquisition profit and loss account.

The result for the financial year dealt with in the financial statements of the parent company was £nil (2008 £nil). As permitted by section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent company.

Investments

Fixed asset investments are shown at cost less, where appropriate, provision for impairment.

Goodwill

Goodwill is calculated as the difference between the cost of an acquired entity or business and the aggregate of the fair values of that entity's or business's separately identifiable assets and liabilities at the date of acquisition. Positive purchased goodwill is capitalised in the balance sheet at cost and amortised over its estimated useful life, not exceeding 20 years, on a straight line basis.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental expense of acquisition.

Depreciation is provided by the Group to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Assets held for hire	2 to 5 years
Plant and equipment	2 to 5 years
Leasehold improvements	10 years or over the lease term if shorter
Office equipment and furniture	5 to 10 years
Motor vehicles	4 to 6 years

Tangible fixed assets acquired as part of businesses acquired are depreciated over the remaining estimated useful economic lives of those assets.

GES SERVICE COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS **For the year ended 31 December 2009**

1. ACCOUNTING POLICIES (continued)

Leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the life of the lease

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. Provision is made where necessary for obsolete, slow moving and defective stock

Taxation

Current 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 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

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 company'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 when, 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 underlying timing differences can be deducted

Pension costs

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in independently administered funds. Contributions to the scheme are charged to the profit and loss account in the year in which accrued

Turnover

Turnover which excludes value added tax and trade discounts, represents the value of goods and services supplied. Turnover is recognised at the end of the event

Provision for bad debts

Provisions for bad debts are made against specific balances that are considered by the Group to be irrecoverable

GES SERVICE COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2009

2. TURNOVER

	2009 £'000	2008 £'000
United Kingdom	37,530	51,074
Rest of EU	3,727	1,418
Rest of World	2,797	1,350
	<u>44,054</u>	<u>53,842</u>

The Group's activities consist of exhibition services originating wholly from the United Kingdom, Germany and United Arab Emirates

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

None of the directors were employed by the company in the current or prior periods. The directors did not receive any emoluments from the company in the current or prior periods. The directors were remunerated by other companies in the Viad Group. Total remuneration from other Group companies amounted to £334,000 (2008 £301,000). It is not practicable to ascertain what proportion of their emoluments relates to the company.

The average monthly number of persons (including directors) employed by the Group during the period was

By activity	2009 No.	2008 No.
Technical support and maintenance	12	48
Administration and finance	192	198
Warehouse, transport and distribution	94	116
Sales and marketing	23	21
	<u>321</u>	<u>383</u>

Staff costs	2009 £'000	2008 £'000
Wages and salaries	11,124	13,851
Social Security costs	1,105	1,376
Other pension costs	268	326
	<u>12,497</u>	<u>15,553</u>

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging	2009 £'000	2008 £'000
Depreciation of tangible owned fixed assets	1,375	1,208
Goodwill amortisation	1,295	1,331
Operating lease charges		
Plant and machinery	149	42
Other	1,351	1,276
Fees payable to the Company's auditors for the audit of the Company's Annual accounts		
- Audit services	87	87
- Taxation	20	20
	<u></u>	<u></u>

GES SERVICE COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2009

5. EXCEPTIONAL ITEMS

The exceptional items are categorised as follows

	2009 £'000	2008 £'000
Reorganisation costs	502	-
	<u>502</u>	<u>-</u>

The current year tax effect of the exceptional items is a corporation tax credit of £140,000 (2008 £Nil)

6. INTEREST RECEIVABLE

	2009 £'000	2008 £'000
Bank interest received	<u>1</u>	<u>15</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

Analysis of tax charge in the year

	2009 £'000	2008 £'000
Current tax		
UK corporation tax at 28% (2008 30%)	466	1,148
Adjustment in respect of prior years	<u>49</u>	<u>(306)</u>
Total current tax	515	842
Deferred taxation		
Current year	134	152
Adjustment in respect of prior years	<u>19</u>	<u>280</u>
Total deferred taxation	<u>153</u>	<u>432</u>
Tax on profit on ordinary activities	<u>668</u>	<u>1,274</u>

Factors affecting the current tax charge for the year

	2009 £'000	2008 £'000
Profit on ordinary activities	<u>694</u>	<u>3,381</u>
Tax on Group profit on ordinary activities at standard UK corporation tax rate of 28% (2008 28.5%)	194	963
Effects of		
Expenses not deductible for tax purposes	506	470
Capital allowances in excess of depreciation	(134)	(87)
Movement in other timing differences	-	(68)
Differences in overseas tax rates	(100)	(130)
Adjustments in tax charge in respect of previous years	<u>49</u>	<u>(306)</u>
Current tax charge for the year	<u>515</u>	<u>842</u>

GES SERVICE COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2009

8. INTANGIBLE FIXED ASSETS

	Goodwill £'000
Cost	
At 1 January 2009 and 31 December 2009	20,816
Amortisation	
At 1 January 2009	2,548
Charge for the year	1,295
At 31 December 2009	3,843
Net book value	
At 31 December 2009	16,973
At 31 December 2008	18,268

The goodwill arising on acquisitions is being amortised on a straight line basis over 20 years from the effective dates of acquisition. The directors consider 20 years as the period over which the values of the underlying businesses are expected to exceed the value of the underlying assets. The company had no other intangible assets.

9. TANGIBLE FIXED ASSETS

	Leasehold Improvement £'000	Plant and hire equipment £'000	Office equipment and furniture £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 January 2009	2,593	7,668	4,529	428	15,218
Exchange Rate Movements	-	70	8	-	78
Additions	314	1,690	436	55	2,495
Disposals	(530)	(302)	-	(24)	(856)
At 31 December 2009	2,377	9,126	4,973	459	16,935
Depreciation					
At 1 January 2009	1,223	4,673	3,764	344	10,004
Exchange Rate Movements	-	5	2	-	7
Charge for the year	178	802	367	28	1,375
Disposals	(513)	(210)	-	(12)	(735)
At 31 December 2009	888	5,270	4,133	360	10,651
Net book value					
At 31 December 2009	1,489	3,856	840	99	6,284
At 31 December 2008	1,370	2,995	765	84	5,214

There are no tangible fixed assets held within the company (2008: £nil). The net book value of assets held under finance leases and hire purchase agreements totals £nil (2008: £nil) within both the company and the Group.

GES SERVICE COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

10. INVESTMENTS

Company
£'000

Cost and net book value

At 1 January 2009 and 31 December 2009

17,725

The following information relates to the principal subsidiary undertakings of the company. All companies operate principally in their country of incorporation which is the United Kingdom unless stated otherwise. All subsidiaries have a year end of 31 December and are included within the Group consolidated financial statements. Those marked with an * are indirectly owned.

The company indirectly owns 49% of Melville Middle East LLC, which is directly owned by Melville Exhibition and Event Services Limited, a wholly owned subsidiary of MES Holdings. Melville Middle East LLC has been treated as a subsidiary undertaking because the group exercises dominant influence over this investment, directing its financial and operating policies. All other subsidiary undertakings are wholly owned.

Name of Company

Nature of business

Melville Data Services Limited (formerly Corporate Technical Services Limited)

Provision of services to the exhibitions industry

Melville Middle East LLC (UAE)*

Provision of services to the exhibitions industry

Melville Logistics GmbH*

Provision of services to the exhibitions industry

MES Holdings Limited

Provision of services to the exhibitions industry

Melville Exhibition and Event Services Limited*

Provision of services to the exhibitions industry

Melville Hire Services Limited*

Dormant

Melville Electrical Services Limited*

Dormant

Proj-X4 Exhibitions and Events Limited*

Managing event technical organising services

11. STOCKS

	Group 2009 £'000	Company 2009 £'000	Group 2008 £'000	Company 2008 £'000
Raw materials	352	-	284	-
Work-in-progress	600	-	315	-
	<u>952</u>	<u>-</u>	<u>599</u>	<u>-</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

12. DEBTORS

	Group 2009 £'000	Company 2009 £'000	Group 2008 £'000	Company 2008 £'000
Amounts due in less than one year				
Trade debtors	3,675	-	3,780	-
Other debtors	738	-	418	-
Prepayments and accrued income	998	-	907	-
Deferred taxation (note 13)	438	-	592	-
Total debtors	<u>5,849</u>	<u>-</u>	<u>5,697</u>	<u>-</u>

Amounts owed from group undertakings are unsecured, interest free and repayable on demand.

GES SERVICE COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2009

13. DEFERRED TAXATION

	2009 £'000
Movement on deferred taxation balance in the period	
At beginning of period	592
Charge to the profit and loss account	(154)
	<hr/>
	438
	<hr/> <hr/>
Analysis of closing deferred tax balance	

There is no unprovided deferred tax (2008 £nil)

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2009 £'000	Company 2009 £'000	Group 2008 £'000	Company 2008 £'000
Bank overdrafts	205	-	1,677	-
Trade creditors	1,351	-	2,974	-
Amounts owed to group undertakings	396	-	91	-
Other taxes and social security	1,177	-	1,257	-
Corporation tax	79	-	228	-
Other creditors	2,831	-	418	-
Accruals and deferred income	5,331	-	7,299	-
	<u>11,370</u>	<u>-</u>	<u>13,944</u>	<u>-</u>

'Amounts owed to group undertakings' disclosed for the Group reflect amounts owed to other parts of the larger Viad Group. Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

15. PROVISION FOR LIABILITIES

	Group 2009 £'000	Company 2009 £'000
At 1 January 2009	856	-
Charge for the year	502	-
Utilised in the year	(535)	-
At end of year	<u>823</u>	<u>-</u>

The closing provision includes £0.5m (2008 £0.7m) relating to dilapidation costs on various sites occupied and leased by the Group. This provision has been calculated through reference to information provided to the company by surveyors, and is expected to be settled at the end of the respective lease terms.

GES SERVICE COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2009

16. CASH FLOW INFORMATION

Reconciliation of operating profit to operating cash flows

	2009 £'000	2008 £'000
Operating profit	693	3,366
Loss on disposal of fixed assets	121	38
Amortisation of goodwill (note 8)	1,295	1,331
Depreciation (note 9)	1,375	1,208
(Increase)/Decrease in stock	(353)	56
(Increase) /Decrease in debtors	(306)	1,496
Decrease in creditors	(986)	(3,243)
Net cash inflow from operating activities	1,839	4,252

Analysis of net funds

	At 31 Dec 2008 £'000	Cash Flow £'000	Non-Cash Movements £'000s	At 31 Dec 2009 £'000
Cash at bank and in hand	3,540	(2,790)	(71)	679
Bank overdraft	(1,677)	1,472	-	(205)
Net funds	1,863	(1,318)	(71)	474

17. CALLED UP SHARE CAPITAL

	2009 £	2008 £
Authorised		
100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

18. SHARE PREMIUM ACCOUNT

	2009 £'000
Group and Company	
At 1 January 2009 and 31 December 2009	17,725

GES SERVICE COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2009

19. PROFIT AND LOSS ACCOUNT

	2009		2008	
	Group £'000	Company £'000	Group £'000	Company £'000
At 1 January	793	-	1,186	-
Profit for the year	26	-	2,107	2,500
Dividends paid	-	-	(2,500)	(2,500)
At 31 December	<u>819</u>	<u>-</u>	<u>793</u>	<u>-</u>

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009		2008	
	Group £'000	Company	Group £'000	Company £'000
At 1 January	18,518	17,725	18,911	17,725
Profit for the year	26	-	2,107	2,500
Dividends paid	-	-	(2,500)	(2,500)
At 31 December	<u>18,544</u>	<u>17,725</u>	<u>18,518</u>	<u>17,725</u>

21. FINANCIAL COMMITMENTS

Annual commitments of the Group under non-cancellable operating leases are as follows

	31 December 2009		31 December 2008	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Operating leases which expire:				
Within one year	358	322	138	153
Within two to five years	85	149	246	186
After five years	500	-	425	-
	<u>943</u>	<u>471</u>	<u>809</u>	<u>339</u>

22. RELATED PARTY TRANSACTIONS

In accordance with FRS 8 "Related Party Disclosures" transactions with Viad Corp have not been disclosed in these financial statements. No other related party transactions occurred which require disclosure.

23. ULTIMATE PARENT COMPANY

The company's immediate and ultimate parent and controlling company is Viad Corp which is incorporated in the United States of America. Copies of the financial statements of Viad Corp are available from Viad Corp, 1850 N Central Avenue, Suite 800, Phoenix, Arizona, 85004-4545 or the company's website at www.Viad.com

**PROJ-X4 EXHIBITION AND EVENTS
LIMITED**

Report and Financial Statements

31 December 2009

**Deloitte LLP
Leeds**

PROJ-X4 EXHIBITION AND EVENTS LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

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PROJ-X4 EXHIBITION AND EVENTS LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTOR

N J Marshall

SECRETARY

P D McKenna

REGISTERED OFFICE

Unit 1 Perimeter Road
National Exhibition Centre
Birmingham
B40 1PJ

AUDITORS

Deloitte LLP
Chartered Accountants and Statutory Auditors
Leeds

PROJ-X4 EXHIBITION AND EVENTS LIMITED

DIRECTOR'S REPORT

The director presents his annual report and the audited financial statements for the year ended 31 December 2009

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is that of managing event technical organising services

PROPOSED DIVIDEND AND TRANSFER TO RESERVES

The director does not recommend the payment of a dividend (2008 £nil) The profit for the year of £nil (2008 £nil) has been transferred to reserves

GOING CONCERN

The director has reviewed the financial position of the company, including the consideration of the uncertainties arising from the current difficult economic environment and consequential impact of this upon trading and financing. The company undertakes forecasts and projections of trading and cash flows on a regular basis and identify areas of focus for management.

Based on the Group's forecasts and projections, continued profitable performance post balance sheet, the strength of its balance sheet and its positive cash position, the director believes that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly he continues to adopt the going concern basis in preparing the financial statements.

DIRECTOR

The following director held office during the year and subsequently

N J Marshall

DISCLOSURE OF RELEVANT INFORMATION TO AUDITORS

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

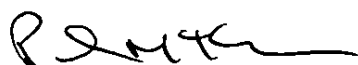
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors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

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

AUDITORS

Deloitte LLP have expressed their willingness to continue in office as auditors. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



P D McKenna
Secretary
27 May 2010

PROJ-X4 EXHIBITION AND EVENTS LIMITED

DIRECTOR'S 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). 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 accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROJ-X4 EXHIBITION AND EVENTS LIMITED

We have audited the financial statements of Proj-X4 Exhibition and Events Limited for the year ended 31 December 2009 which comprise the profit and loss account, the statement of total recognised gains and losses, 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 auditors' 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 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 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.

Opinion on the 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 2009 and of its result 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.



Simon Manning (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors

Leeds

28 May 2010

PROJ-X4 EXHIBITION AND EVENTS LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2009

	Note	2009 £'000	2008 £'000
TURNOVER	2	123	104
Cost of sales		(4)	(7)
Gross profit		119	97
Administrative expenses		(119)	(97)
OPERATING PROFIT	4	-	-
Tax on profit on ordinary activities	5	-	-
RESULT FOR THE YEAR	9	-	-

The results for the year are wholly attributable to the continuing operations of the company

There are no recognised gains or losses in the current year or previous year other than the result for the year stated above, therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the results presented on an historical cost basis and those presented above

PROJ-X4 EXHIBITION AND EVENTS LIMITED

BALANCE SHEET 31 December 2009

	Note	2009 £'000	2008 £'000
CURRENT ASSETS			
Debtors	6	10	102
Cash at bank and in hand		83	71
		<u>93</u>	<u>173</u>
CREDITORS: amounts falling due within one year	7	<u>(86)</u>	<u>(166)</u>
NET ASSETS		<u>7</u>	<u>7</u>
CAPITAL AND RESERVES			
Called up share capital	8	-	-
Profit and loss account	9	7	7
TOTAL SHAREHOLDERS' FUNDS	10	<u>7</u>	<u>7</u>

These financial statements for Proj X-4 Exhibition and Events Limited, registered number (4134847), were approved by the Board of Directors on 27 May 2010

Signed on behalf of the Board of Directors



N J Marshall

Director

PROJ-X4 EXHIBITION AND EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006 and in accordance with applicable Accounting Standards in the United Kingdom. The principal accounting policies consistently applied in the preparation of the accounts of the Company are described below.

Going concern

Following the review of the company as discussed in the Director's Report, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly he continues to adopt the going concern basis in preparing the financial statements.

Cash flow statement

The company has taken advantage of the exemption under Financial Reporting Standard 1 "Cash Flow Statement (Revised 1996)", not to prepare a cash flow statement on the basis that the company's results are consolidated into the results of GES Service Companies Limited, whose financial statements are publicly available.

Taxation

Current 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 company'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 when, 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 underlying 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 substantially enacted by the balance sheet date.

Turnover

Turnover which excludes value added tax and trade discounts, represents the value of goods and services supplied. Turnover is recognised at the end of the event.

2 TURNOVER

Analysis of turnover by geographical destination

	2009 £'000	2008 £'000
United Kingdom	123	104

The Company's activities consist solely of that of managing event technical organising services originating from the United Kingdom.

PROJ-X4 EXHIBITION AND EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The emoluments of N J Marshall are disclosed within the accounts of MES Holdings Limited, a company within the Viad Group. The Company had one director at the end of the year (2008: one). The Company defined pension contributions of N J Marshall are disclosed in the financial statements of MES Holdings Limited. It is not practicable to ascertain what proportion of these emoluments relates to the company.

4 OPERATING PROFIT

The audit fee of £3,000 (2008: £3,000) has been borne by another group company.

5 TAX ON PROFIT ON ORDINARY ACTIVITIES

There is no tax charge in the year (2008: £nil) due to the availability of taxable losses within the group for which no payment is made. At the balance sheet date there were no deferred tax assets or liabilities.

There is no tax charge in the current year. The tax charge in the prior year was lower than the standard rate of corporation tax in the UK of 28% (2008: 28.5%). The differences are stated below.

	2009 £'000	2008 £'000
Profit on ordinary activities before tax	-	-
Profit on ordinary activities at 28% (2008: 28.5%)	-	-
Effects of: Group relief claimed	-	-
Tax on profit on ordinary activities	-	-

6 DEBTORS

	2009 £'000	2008 £'000
Amounts due in less than one year		
Trade debtors	10	37
Amounts owed by other group companies	-	65
	10	102

7 CREDITORS, AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £'000	2008 £'000
Trade Creditors	1	-
Amounts due to group companies	59	-
Accruals and Deferred Income	26	166
	86	166

PROJ-X4 EXHIBITION AND EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2009

8. CALLED UP SHARE CAPITAL

	2009 £'000	2008 £'000
Authorised		
100 ordinary shares of £1 each	-	-
Allotted, called up and fully paid		
1 ordinary shares of £1 each	-	-

9. PROFIT AND LOSS ACCOUNT

	£'000
At 1 January	7
Result for the financial year	-
At 31 December	7

10. RI CONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £'000	2008 £'000
Result for the financial year	-	-
Total shareholders' funds at 1 January	7	7
Total shareholders' funds at 31 December	7	7

11. RELATED PARTY TRANSACTIONS

Other than the amounts disclosed as receivable and payable within the Viad Group companies, there are no other related party transactions which required disclosure in accordance with FRS 8

12. PARENT UNDERTAKING AND CONTROLLING PARTY

At the balance sheet, the immediate parent company is MES Holdings Limited, which is registered in England and Wales. At the balance sheet date, the smallest group for which consolidated financial statements are prepared is GES Service Companies Limited. Copies of the group financial statements are available from Companies House, Crown Way, Mandy, Cardiff CF4 3UZ.

At the balance sheet date, the ultimate parent and controlling company was Viad Corp. Copies of the financial statements of Viad Corp are available from Viad Corp, 1850 N Central Avenue, Suite 800, Phoenix, Arizona 85004-4545 or the company's website at www.viad.com