

GN Netcom Limited

**Directors' report and financial
statements**

Registered number 2150852

31 December 2009

TUESDAY



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Director's report

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

Principal activities and business review

The business of the company was the manufacture and sale of electro-acoustic headsets and components

The company has not traded during the year

The results for the year are set out on page 7

Proposed dividend

The director does not recommend the payment of a dividend

Director interests

The directors who served on the Board during the year were as follows

S B Andersen resigned 4 September 2009

J G Schou appointed 29 August 2009

The director who held office at the end of the financial year did not have any disclosable interest in the shares of the company

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to the director or his immediate family, or exercised by them, during the financial year

The directors' interests in the shares of the holding company are disclosed in the directors' report of the holding company

Disclosure of information to auditors

The director who held office at the date of approval of this directors' report confirms that, so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and the director has taken all 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

Director's report (*continued*)

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board



J G Schou
Director

Hill House
1 Little New Street
London EC4A 3TR

23 September 2010

Statement of director's responsibilities in respect of the Director's Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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,
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities



KPMG LLP

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Independent auditors' report to the members of GN Netcom Limited

We have audited the financial statements of GN Netcom Limited for the year ended 31 December 2009 set out on pages 7 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 Directors' Responsibilities Statement set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

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 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Independent auditors' report to the members of GN Netcom Limited (*continued*)

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



Paul Moran (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

23 September 2010

Profit and loss account
for the year ended 31 December 2009

	Note	2009 £000	2008 £000
Administrative expenses		(16)	2
Operating (loss)/profit		(16)	2
Interest receivable and similar income	4	99	-
Interest payable and similar charges	5	(68)	(401)
Profit/(loss) on ordinary activities before taxation	2-3	15	(399)
Tax on profit/(loss) on ordinary activities	6	-	-
Profit/(loss) for the financial year	11	15	(399)

The company has no recognised gains or losses other than those included in the profit and loss account
In both the current and preceding years the activities related to discontinued operations

Balance sheet
at 31 December 2009

	Note	2009 £000	2008 £000
Current assets			
Debtors	7	1	21
Cash at bank and in hand		26	5
		<u>27</u>	<u>26</u>
Creditors amounts falling due within one year	8	(1,407)	(1,421)
Net current liabilities		(1,380)	(1,395)
Provisions for liabilities	9	(14)	(14)
Net liabilities		<u>(1,394)</u>	<u>(1,409)</u>
Capital and reserves			
Called up share capital	10	1,000	1,000
Profit and loss account	11	(2,394)	(2,409)
Equity shareholders' deficit		<u>(1,394)</u>	<u>(1,409)</u>

These financial statements were approved by the board of directors on 23 September 2010



J G Schou
Director

Registered number 2150852

Reconciliation of movements in shareholder's deficit
for the year ended 31 December 2009

	2009 £000	2008 £000
Profit/(loss) for the financial year	15	(399)
Opening shareholders' deficit	(1,409)	(1,010)
Closing shareholders' deficit	<u>(1,394)</u>	<u>(1,409)</u>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

The immediate parent company GN Store Nord A/S has agreed to provide GN Netcom Limited with the necessary working capital for at least 12 months from the date of the financial statements and accordingly the financial statements have been prepared on a going concern basis

As the company is a wholly owned subsidiary of GN Store Nord A/S, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of GN Store Nord A/S, within which this company is included, can be obtained from the address given in note 12

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease

Taxation

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

Deferred taxation is recognised without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen, but not yet reversed by the balance sheet date, except as otherwise required by FRS 19

Notes (continued)

2 Profit/(loss) on ordinary activities before taxation

	2009 £000	2008 £000
<i>Profit/(loss) on ordinary activities before taxation is stated after charging</i>		
Auditors' remuneration		
Audit	<u>7</u>	<u>5</u>

3 Staff numbers and costs

The company has not employed any persons during the year or previous year. The company has not paid any wages and salaries during the year or previous year.

The directors did not receive any remuneration during the current or prior year.

4 Interest receivable and similar income

	2009 £000	2008 £000
Net exchange gains on group borrowings	<u>99</u>	<u>-</u>
	<u>99</u>	<u>-</u>

5 Interest payable and similar charges

	2009 £000	2008 £000
Net exchange loss on group borrowings	-	343
On group loans	<u>68</u>	<u>58</u>
	<u>68</u>	<u>401</u>

Notes (continued)

6 Taxation

Analysis of charges in period

	2009 £000	2008 £000
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Tax on profit/(loss) on ordinary activities	-	-

Factors affecting the charge for the current period

The current tax charge for the period is lower (2008 higher) than the standard rate of corporation tax in the UK (28% 2008 28%). The differences are explained below

	2009 £000	2008 £000
<i>Current tax reconciliation</i>		
Profit/(loss) on ordinary activities before tax	15	(399)
Current tax at 28% (2008 28%)	4	(112)
<i>Effects of</i>		
Tax losses (utilised)/carried forward	(4)	112
Total current tax charge (see above)	-	-

Factors that may affect future tax charges

The company has unrelieved UK corporation tax losses of approximately £3,303,000 (2008 £3,318,000) available to carry forward against profits from the same trade

Notes (continued)

7 Debtors

	2009 £000	2008 £000
VAT recoverable	1	-
Amounts owed by group undertakings	-	21
	<u>1</u>	<u>21</u>
	<u>1</u>	<u>21</u>

8 Creditors: amounts falling due within one year

	2009 £000	2008 £000
Amounts owed to group undertakings	1,399	1,411
Accruals and deferred income	8	10
	<u>1,407</u>	<u>1,421</u>
	<u>1,407</u>	<u>1,421</u>

Notes (continued)

9 Provisions for liabilities

**Restructuring
provision
£000**

At the beginning and end of the year		14
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The company has not provided for a deferred tax asset in these financial statements due to uncertainty surrounding its future recovery against taxable profits

The elements of deferred taxation are set out below

	2009 £000	2008 £000
Tax losses carried forward	925	929
Unprovided deferred tax asset	925	929

10 Called up share capital

	2009 £000	2008 £000
<i>Authorised, allotted, called up and fully paid</i>		
Equity Ordinary shares of £1 each	1 000	1 000

11 Reserves

	Profit and loss account £000
At beginning of year	(2,409)
Profit for the year	15
At end of year	(2,394)

Notes *(continued)*

12 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of GN Store Nord A/S incorporated in Denmark

The largest group in which the results of the company are consolidated is that headed by GN Store Nord A/S, incorporated in Denmark. The consolidated accounts of these groups are available to the public and may be obtained from GN Store Nord A/S, Lautrupbjerg 7, 2750 Ballerup, Denmark

The ultimate controlling party of the company is GN Store Nord A/S