

# Gartmore GO Dealing Limited

## REPORT AND ACCOUNTS

FOR THE YEAR TO 30 JUNE 2007

Registered No 2609894  
England



## **GARTMORE GO DEALING LIMITED**

### **REPORT OF THE DIRECTORS**

The Directors of Gartmore GO Dealing Limited submit their Report and the Accounts for the year to 30 June 2007

#### **Principle activity and review of business**

The Company's principal activity is the business of dealing in shares, securities and other financial instruments

#### **Result and dividends**

The profit for the year, after taxation, amounted to £422,855. No dividends were paid or proposed in respect of the year ended 30 June 2007.

#### **Going Concern**

The Directors believe that it is appropriate to prepare the accounts on a going concern basis as the Company's assets are readily realisable and the Company has adequate financial resources to continue in operational existence for the foreseeable future.

### **REVIEW OF BUSINESS**

The Company is an investment dealing company. The Directors consider that both the financial position at 30 June 2007 and the level of business transacted in the year then ended were satisfactory. A similar level of activity is expected to be sustained for the foreseeable future.

### **DIRECTORS AND THEIR INTERESTS**

The Directors who held office during the year were as follows:

D R Peters  
P J Derby  
D P. G. Cade  
D C Mace  
R T E Ware

There are no Directors' interests to be disclosed under the Companies Act 1985. In accordance with Article 7(c) of the Articles of Association none of the Directors in office at the year-end is required to retire. The interests of the Directors in the share capital of the parent Company are shown in the Report and Accounts of that Company.

#### **Financial Instruments**

The principal risks facing the Company are liquidity risk and market price risk, as expanded note 12 to the Accounts.

#### **Corporate Governance**

The policy of the Company's parent, Gartmore Growth Opportunities plc, is to comply with the Principles of Good Corporate Governance and the Combined Code of Best Practice as required by the Listing Rules of the Financial Services Authority, to the extent appropriate to an investment trust company.

In accordance with Sections 252 and 366A of the Companies Act 1985, resolutions to dispense with the obligations to lay Accounts before Members in General Meetings and to hold Annual General Meetings were passed on 25 November 1993.

Accordingly the circulation of these Accounts to Shareholders will be deemed to comply with the Company's obligation under Section 235 of the Companies Act 1985 to send copies of the Annual Accounts to Members of the Company.

As far as the Directors are aware, having made such enquiries and taken such steps as they consider they reasonably should, the auditors have been provided with all the information necessary for them to be able to prepare their report.

## GARTMORE GO DEALING LIMITED

### REPORT OF THE DIRECTORS (*Continued*)

#### Investment Management and other agreements

The Company's investments are managed by Gartmore Investment Limited under an Investment Management Agreement with the Company's parent, Gartmore Growth Opportunities plc

Company secretarial and administrative services are provided to the Company by Gartmore Investment Limited pursuant to a Company Secretarial and Administration Agreement with the Company's parent, Gartmore Growth Opportunities plc

The Bank of New York provides custodian services to the Company

By Order of the Board  
Gartmore Investment Limited

Secretary  
12 September 2007

A handwritten signature in black ink, appearing to be 'N. L.', is written over the signature line.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the Directors to prepare accounts for each financial year, which 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 those accounts, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts,
- prepare the accounts on a 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 which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act 1985. 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

## GARTMORE GO DEALING LIMITED

### INDEPENDENT AUDITORS' REPORT

#### To the Members of Gartmore GO Dealing Limited

We have audited the financial statements of GO Dealing Limited for the year ended 30 June 2007 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the company's state of affairs as at 30 June 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG Audit Plc

Chartered Accountants, Edinburgh

Registered Auditor

19 September 2007

*KPMG Audit Plc*

GARTMORE GO DEALING LIMITED

INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007

|   | Note | Year to<br>30 June<br>2007<br>£ | Year to<br>30 June<br>2006<br>£ |
|---|------|---------------------------------|---------------------------------|
| Sales of investments  |      | 8,872,792                       | 5,814,079                       |
| Cost of sales   |      | (8,631,949)                     | (5,643,622)                     |
| Realised gain on investments  |      | 240,843                         | 170,457                         |
| Movement in provision for unrealised gains and losses<br>on investments |      | 210,828                         | (87,386)                        |
| Gain / (loss) on derivatives  |      | (37,356)                        | -                               |
| Operating profit  |      | 414,315                         | 83,071                          |
| Other income  |      |                                 |                                 |
| Franked income from investments   |      | 4,487                           | 4,028                           |
| Bank interest receivable  |      | 4,082                           | 5,120                           |
| Net profit before finance costs and taxation                            |      | 422,884                         | 92,219                          |
| Finance costs   |      |                                 |                                 |
| Interest payable  |      | (29)                            | (21)                            |
| Net profit before taxation  |      | 422,855                         | 92,198                          |
| Taxation  | 3    | -                               | -                               |
| Net profit after taxation for the financial year                        |      | 422,855                         | 92,198                          |

*No gains or losses were attributable to shareholders other than those shown in the Income Statement  
No operations were acquired or discontinued during the year  
The notes on pages 8 to 12 form part of these Accounts*

**GARTMORE GO DEALING LIMITED**

**BALANCE SHEET  
AS AT 30 JUNE 2007**

|   | Note | At<br>30 June<br>2007<br>£ | At<br>30 June<br>2006<br>£ |
|---|------|----------------------------|----------------------------|
| <b>Current assets</b>                             |      |                            |                            |
| Investments held at fair value                    | 4    | 1,272,551                  | 1,014,665                  |
| Other receivables                                 | 5    | 379,228                    | 219,805                    |
| Cash and cash equivalents                         |      | 28,458                     | 62,627                     |
| <b>Total assets</b>                               |      | <b>1,680,237</b>           | <b>1,297,097</b>           |
| <b>Current liabilities</b>                        |      |                            |                            |
| Other payables                                    | 6    | (71,231)                   | (110,946)                  |
|   |      | <b>(71,231)</b>            | <b>(110,946)</b>           |
| <b>Total assets less current liabilities</b>      |      | <b>1,609,006</b>           | <b>1,186,151</b>           |
| <b>Equity attributable to equity shareholders</b> |      |                            |                            |
| Called-up share capital                           | 7    | 2                          | 2                          |
| Retained earnings                                 |      |                            |                            |
| Revenue reserve                                   |      | 1,609,004                  | 1,186,149                  |
| <b>Total equity</b>                               | 8    | <b>1,609,006</b>           | <b>1,186,151</b>           |



David Peters  
Director

Approved by the Board on 12 September 2007

*The notes on pages 8 to 12 form part of these Accounts*

**GARTMORE GO DEALING LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2007**

|   | Called up<br>Share<br>Capital<br>£ | Retained<br>Earnings<br>£ | Total<br>£ |
|---|------------------------------------|---------------------------|------------|
| Total equity at 1 July 2005             | 2                                  | 1,093,951                 | 1,093,953  |
| Net profit for the year to 30 June 2006 |                                    | 92,198                    | 92,198     |
| Total equity at 30 June 2006            | 2                                  | 1,186,149                 | 1,186,151  |
| Net profit for the year to 30 June 2007 |                                    | 422,855                   | 422,855    |
| Total equity at 30 June 2007            | 2                                  | 1,609,004                 | 1,609,006  |

*The notes on pages 8 to 12 form part of these Accounts*

**GARTMORE GO DEALING LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

|   | At<br>30 June<br>2007<br>£ | At<br>30 June<br>2006<br>£ |
|---|----------------------------|----------------------------|
| <b>Cash flows from operating activities</b>             |                            |                            |
| Profit before finance costs and taxation                | 422,884                    | 92,219                     |
| Adjustments for   |                            |                            |
| Increase in investments                                 | (257,886)                  | (731,762)                  |
| (Increase) / decrease in other receivables              | (159,423)                  | 390,912                    |
| (Decrease) / increase on other payables                 | (39,715)                   | 83,047                     |
| <b>Net cash from operating activities</b>               | <u>(34,140)</u>            | <u>(165,584)</u>           |
| <b>Cash flows from financing activities</b>             |                            |                            |
| Finance costs   | (29)                       | (21)                       |
| <b>Net cash from financing activities</b>               | <u>(29)</u>                | <u>(21)</u>                |
| <b>Net decrease in cash and cash equivalents</b>        | (34,169)                   | (165,605)                  |
| Cash and cash equivalents at the beginning of the year  | 62,627                     | 228,232                    |
| <b>Cash and cash equivalents at the end of the year</b> | <u>28,458</u>              | <u>62,627</u>              |

*The notes on pages 8 to 12 form part of these Accounts*



## **GARTMORE GO DEALING LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2007**

#### **1 ACCOUNTING POLICIES**

The Company's Accounts have been prepared under the historical cost convention modified to include the revaluation of certain investments

In line with the Company's parent, the Accounts for the year ended 30 June 2007 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union. All of the Company's operations are of a continuing nature

##### **Income**

Investment income includes dividends receivable from investments quoted ex-dividend on or before the balance sheet date. Bank deposit interest is accounted for on an accruals basis

##### **Finance costs**

Finance costs are calculated using the effective interest rate method and are accounted for on an accruals basis

##### **Investments held at fair value through profit or loss**

When a purchase or sale is made under contract, the terms of which require delivery within the timeframe of the relevant market, the investments concerned are recognised and de-recognised on the trade date

All investments are classified as held at fair value through profit or loss. The fair value of the investments is based on their quoted bid market price at the close of business on the balance sheet date without any deduction for estimated future selling costs. Where no bid price is available, the investment is valued at last traded price

Transaction costs on acquisition and disposal of investments are deducted before arriving at the operating profit on the Income Statement

##### **Other receivables**

Other receivables do not carry any interest and are short-term in nature and are accordingly stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts

##### **Cash and cash equivalents**

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash

##### **Other payables**

Other payables are not interest-bearing and are stated at their nominal value

##### **Taxation**

Taxation is based on the net profit for the year. Taxable profits differ from profit before tax as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible

#### **2 DIRECTORS' REMUNERATION AND OTHER COSTS**

The Directors received no emoluments in respect of their services to the Company. No Director has a contract of service with the Company. The Company has no other employees

Audit fees are borne by the parent company and amounted to £500 (2006 - £500)

# GARTMORE GO DEALING LIMITED

## NOTES TO THE ACCOUNTS (*Continued*)

### 3 TAXATION

No provision for taxation is required on the Company's net profits for the year as these are relieved against prior year losses brought forward and by group relief surrendered by the Company's parent, Gartmore Growth Opportunities plc

At 30 June 2007 the Company had Schedule D Case I losses carried forward of £nil (2006 £289,273) which have not been recognised as a deferred tax asset. This is because the Company is not expected to generate sufficient taxable income in excess of the deductible expenses and losses available from the parent company for group relief in the foreseeable future, accordingly it is unlikely that the Company will be able to reduce future tax liabilities through the use of existing Schedule D Case I losses.

| Tax reconciliation                                   | 2007<br>£       | 2006<br>£      |
|--|-----------------|----------------|
| Profit/(loss) on ordinary activities before taxation | <u>422,855</u>  | <u>92,198</u>  |
| Current tax at 30%                                   | 126,857         | 27,659         |
| Income not subject to corporation tax                | (1,346)         | (1,208)        |
| Utilisation of tax losses brought forward            | (86,782)        | (24,921)       |
| Utilisation of group relief                          | <u>(38,729)</u> | <u>(1,530)</u> |
| Total tax charge                                     | <u>-</u>        | <u>-</u>       |

### 4 INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

|  | 2007<br>£        | 2006<br>£        |
|--|------------------|------------------|
| UK Listed Investments                  |                  |                  |
| Book value brought forward             | 1,136,671        | 317,524          |
| Acquisitions at cost                   | 8,717,407        | 6,462,769        |
| Sales proceeds                         | (8,872,792)      | (5,814,079)      |
| Realised gain on investments           | 240,843          | 170,457          |
| Provision for unrealised gain / (loss) | 50,422           | (122,006)        |
| Fair value at 30 June                  | <u>1,272,551</u> | <u>1,014,665</u> |
|  | 2007<br>£        | 2006<br>£        |
| Included in acquisitions at cost are - |                  |                  |
| Transaction costs on purchases         | 43,992           | 36,197           |
| Deducted from sales proceeds are -     |                  |                  |
| Transaction costs on sales             | 25,772           | 17,716           |

# GARTMORE GO DEALING LIMITED

## NOTES TO THE ACCOUNTS (*Continued*)

The portfolio of investments at  
30 June 2007 comprised

|                           |                 | Book cost<br>£   | Fair value<br>£  |
|---------------------------|-----------------|------------------|------------------|
| McAlpine (Alfred)         | Ordinary shares | 225,390          | 215,000          |
| Finsbury Food             | Ordinary shares | 141,525          | 191,475          |
| Oakdene Homes             | Ordinary shares | 130,000          | 113,100          |
| Bioprogress               | Ordinary shares | 62,500           | 75,313           |
| RC Group Holdings         | Ordinary shares | 89,777           | 76,312           |
| Booker Group              | Ordinary shares | 113,403          | 122,625          |
| Matra Petroleum           | Ordinary shares | 167,872          | 235,021          |
| Matra Petroleum 31/1/2009 | Warrants        | -                | 57,706           |
| Island Oil & Gas          | Ordinary shares | 146,886          | 92,400           |
| IPSA Group                | Ordinary shares | 144,776          | 132,000          |
| FTSE Mid-Cap 250 Swap     | Swap            | -                | (38,401)         |
|                           |                 | <u>1,222,129</u> | <u>1,272,551</u> |

## 5 OTHER RECEIVABLES

|                                | 2007<br>£      | 2006<br>£      |
|--------------------------------|----------------|----------------|
| Amount due from brokers        | 379,228        | 57,225         |
| Amount due from parent company | -              | 161,017        |
| Accrued income                 | -              | 1,563          |
|                                | <u>379,228</u> | <u>219,805</u> |

## 6. OTHER PAYABLES

|                              | 2007<br>£     | 2006<br>£      |
|------------------------------|---------------|----------------|
| Amount due to brokers        | -             | 110,946        |
| Amount due to parent company | 71,231        | -              |
|                              | <u>71,231</u> | <u>110,946</u> |

## GARTMORE GO DEALING LIMITED

### NOTES TO THE ACCOUNTS (*Continued*)

#### 7 CALLED-UP SHARE CAPITAL

|  | 2007<br>£    | 2006<br>£    |
|--|--------------|--------------|
| Authorised<br>1,000 Ordinary shares of £1 each                     | <u>1,000</u> | <u>1,000</u> |
| Allotted, called-up and fully paid<br>2 Ordinary shares of £1 each | <u>2</u>     | <u>2</u>     |

#### 8 SHAREHOLDERS' FUNDS

|                                     | 2007<br>£        | 2006<br>£        |
|-------------------------------------|------------------|------------------|
| Balance brought forward             | 1,186,151        | 1,093,953        |
| Retained profit/(loss) for the year | <u>422,855</u>   | <u>92,198</u>    |
| Shareholders' Funds at 30 June      | <u>1,609,006</u> | <u>1,186,151</u> |

#### 9 ULTIMATE PARENT COMPANY

The Company is a wholly owned subsidiary of Gartmore Growth Opportunities plc, which is registered in England. The consolidated Report and Accounts for the Group are available from Gartmore Investor Services, Gartmore House, 8 Fenchurch Place, London EC3M 4PB.

#### 10 CONTINGENT LIABILITIES AND COMMITMENTS

At 30 June 2007 the Company had a contingent liability of £163,396 (2006: £162,500) in respect of exercise of warrants. There were no capital commitments at the year end (2006: £nil).

#### 11 RELATED PARTY TRANSACTIONS

During the year to 30 June 2007, the Company received funding from its parent Gartmore Growth Opportunities plc, in order to finance its trading activity. The funding received has increased the cost of the parent's investment in the subsidiary. In addition, the parent has also provided group relief to the Company of £38,729 (2006: £1,530) and has borne audit fees amounting to £500 (2006: £500). At 30 June 2007, there was an outstanding balance of £71,231 due to (2006: £161,017 due from) the parent company.

## GARTMORE GO DEALING LIMITED

### NOTES TO THE ACCOUNTS (*Continued*)

#### 12. FINANCIAL INSTRUMENTS

The Company's financial instruments comprise

- equity and non-equity shares and derivative instruments, which are held in accordance with the Company's investment objectives,
- Cash, liquid resources and short-term receivables and payables that arise directly from the Company's operations

The main risks arising from financial instruments are liquidity and market price risk. The risks have remained unchanged since the beginning of the year to which these financial statements relate and are summarised below -

##### **Liquidity risk**

The Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary

##### **Market prices risk**

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Company might suffer through holding a market position in the face of price movements. Market price risk is minimised by investing in a diversified spread of investments.

Futures and options may be used to protect the capital value of holdings against a fall in market prices.

At 30 June 2007 the Company held the following future

|                                    | 2007<br>£ | 2006<br>£ |
|------------------------------------|-----------|-----------|
| FTSE Mid-Cap 250 Swap – fair value | (38,401)  | -         |