

GW 1264 Limited

REPORT AND FINANCIAL STATEMENTS

30 June 2007

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COMPANIES HOUSE

Company Registration No 3240102

GW 1264 Limited

DIRECTORS, OFFICERS AND ADVISERS

DIRECTORS

D Memory
G Kingsmill

SECRETARY

D Memory

REGISTERED OFFICE

Continuity House
London Road
Bracknell
Berkshire
RG12 2XH

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
2 Bloomsbury Street
London
WC1B 3ST

BANKERS

Barclays Bank Plc
Blackwater Valley Group
PO Box 191
Camberley
Surrey
GU15 3GS

SOLICITORS

Norton Rose
3 More London Riverside
London
SE1 2AQ

GW 1264 Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of GW 1264 Limited for the year ended 30 June 2007

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company during the year was that of an intermediate holding company. The company did not trade during the year.

DIVIDENDS

The directors are precluded from the payment of a preference dividend (2006 £Nil).

DIRECTORS

The following directors have held office during the period:

S P Samuel	(Resigned 30 November 2007)
I Daly	(Resigned 30 September 2007)
D Memory	(Appointed 17 th September 2007)
G Kingsmill	(Appointed 30 th November 2007)
T Salkield	(Resigned 16 th October 2006)

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

None of the directors held any interest in the share capital of the company at 30 June 2007.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITORS

Baker Tilly UK Audit LLP are not seeking reappointment as auditor and a resolution to appoint PricewaterhouseCoopers LLP as auditor will be put to the members at the annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

By order of the board


D Memory
Secretary

12 June 2008

GW 1264 Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GW 1264 LIMITED

We have audited the financial statements on pages 5 to 11

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 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 opinion we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 are properly prepared in accordance with the Companies Act 1985. We also 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 transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We 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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 30 June 2007 and of its loss for the year then ended and 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.

Baker Tilly UK Audit LLP

BAKER TILLY UK AUDIT LLP

Registered Auditor

Chartered Accountants

2 Bloomsbury Street

London WC1B 3ST

12 June 2008

GW 1264 Limited
PROFIT AND LOSS ACCOUNT
for the year ended 30 June 2007

	Notes	2007 12 Months £	2006 18 Months £
TURNOVER	1	-	750
Gross profit		-	750
Other operating expenses	2	(55,623)	(1 827)
OPERATING LOSS		(55 623)	(1 077)
Investment income	3	-	5 317
Amounts written off fixed asset investments	7	-	(135,371)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(55 623)	(131 131)
Taxation	6	-	39
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	13	(55,623)	(131,092)

The operating loss for the period arises from the company's continuing operations

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account

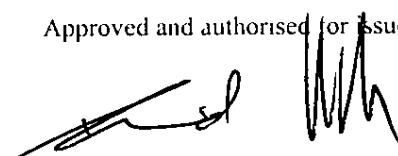
GW 1264 Limited

BALANCE SHEET

30 June 2007

	Notes	2007 £	2006 £
FIXED ASSETS			
Investments	7	-	-
		<u> </u>	<u> </u>
CURRENT ASSETS			
Debtors	8	-	87,464
Cash at bank and in hand		2,110	2,110
		<u>2,110</u>	<u>89,574</u>
CREDITORS Amounts falling due within one year	9	(2,850)	(34,691)
NET CURRENT (LIABILITIES) / ASSETS		<u>(740)</u>	<u>54,883</u>
CREDITORS Amounts falling due after more than one year	10	(97,000)	(97,000)
NET LIABILITIES		<u>(97,740)</u>	<u>(42,117)</u>
CAPITAL AND RESERVES			
Called up share capital	11	49,851	49,851
Share premium account	12	31,000	31,000
Profit and loss account	13	(178,591)	(122,968)
SHAREHOLDERS' DEFICIT	14	<u>(97,740)</u>	<u>(42,117)</u>

Approved and authorised for issue by the board on 12 June 2008



Director
D Memory

GW 1264 Limited

ACCOUNTING POLICIES

for the year ended 30 June 2007

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards

The accounts present information about the company itself and do not include information regarding its subsidiary undertaking. The company is exempt from producing consolidated accounts under Section 228 of the Companies Act 1985

Revenue recognition

Revenue is largely derived from services provided within the group and exclude Value Added Tax

Cash flow statement

The company has relied on the exemptions conferred by Financial Reporting Standard No 1 from the requirement to publish a cash flow statement

Deferred Taxation

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounting basis

Capital instruments

Shares are included in shareholders' funds. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds

Financial Instruments

Financial Instruments issued are classified as financial liabilities, financial assets or equity instruments in accordance with the substance of the contractual agreement and the definitions of 'financial liability' and 'equity instrument' as set out in Financial Reporting Standard ("FRS") 25, as is required by that standard. Interest or dividends relating to financial liability or asset are recognised as an expense or income respectively within the interest section of the profit and loss account. Distributions paid to holders of an equity instrument are charged directly to reserves

Investments

Investments are stated at cost less any provision for impairment

Comparatives

The comparative period represents the period from 1 January 2005 to 30 June 2006

GW 1264 Limited

NOTES TO FINANCIAL STATEMENTS

for the year ended 30 June 2007

1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and loss before taxation were all derived from its principal activity. All sales were made in the United Kingdom.

2 OTHER OPERATING EXPENSES

2007	2006
12 Months	18 Months
£	£

Administration expenses	55,623	1,827
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3 INVESTMENT INCOME

2007	2006
12 Months	18 Months
£	£

Interest from group loans	-	5,317
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4 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

2007	2006
12 Months	18 Months
£	£

Loss on ordinary activities before taxation is stated after

Charging

Auditors' remuneration

850	875
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Auditors' remuneration –non audit services

500	875
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Provision against amounts due from parent undertaking

54,657	-
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5 EMPLOYEES

2007	2006
12 Months	18 Months
No	No

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

Administration

2	2
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2	2
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Directors' remuneration

Nil	Nil
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No amounts were paid to employees or directors during the period (2006 Nil)

GW 1264 Limited
NOTES TO FINANCIAL STATEMENTS
for the year ended 30 June 2007

6	TAXATION	2007 12 Months £	2006 18 Months £
	Based on the result for the period		
	UK corporation tax	-	-
	Over provision in earlier years	-	(39)
	Total current tax	<u>-</u>	<u>(39)</u>
	Factors affecting tax charge for period	2007 £	2006 £
	Loss on ordinary activities before tax	(55,623)	(131,131)
	Factors affecting tax charge for period		
	Loss on ordinary activities multiplied by standard rate of 30% (2006 30%)	(16,687)	(39,339)
	Expenses not deductible for tax purposes	16,397	40 611
	Group relief	290	(1,272)
	Adjustments to tax charge in respect of previous periods	-	(39)
	Tax charge for period	<u>-</u>	<u>(39)</u>

7	FIXED ASSETS INVESTMENTS	Shares in group undertaking £
	Cost at 1 July 2006 and 30 June 2007	135,371
	Provision at 1 July 2006 and 30 June 2007	<u>(135,371)</u>

Shares in group undertaking

At 30 June 2007 the shares in the group undertaking comprised an investment in the following subsidiary undertaking

	Class of holding	Proportion held	Nature of business
System Software Solutions Limited	Ordinary	100%	Internet Security Reseller

The subsidiary undertaking is incorporated in England and Wales. At 30 June 2007 System Software Solutions Limited had net liabilities of £398,089 having incurred a loss of £211,213 in the period

GW 1264 Limited

NOTES TO FINANCIAL STATEMENTS

for the year ended 30 June 2007

8	DEBTORS	2007 £	2006 £
	Due within one year		
	Amounts owed by subsidiary undertaking	-	87,464
		<u> </u>	<u> </u>
9	CREDITORS Amounts falling due within one year	2007 £	2006 £
	Amounts owed to parent undertaking	-	22,
	Amounts owed to subsidiary undertaking	1,500	-
	Accruals and deferred income	1,350	2 334
	Cumulative preference dividend payable	-	9,700
		<u>2 850</u>	<u>34 691</u>
		<u> </u>	<u> </u>
10	CREDITORS Amounts falling due after more than one year	2007 £	2006 £
	Fixed cumulative redeemable preference shares of £1 each	97 000	97,000
		<u> </u>	<u> </u>
	The shares are redeemable after June 2008 and consequently the amounts are considered to be repayable in more than one year		
	The dividends on the redeemable preference shares of 10p each are payable annually On a return of capital on a winding up, the holders shall be entitled to £1 per share Holders of redeemable preference shares are not entitled to attend nor vote at general meetings of the company		
11	SHARE CAPITAL	2007 £	2006 £
	Authorised		
	520,000 ordinary shares of 10p each	52,000	52,000
		<u> </u>	<u> </u>
	Allotted issued and fully paid		
	498 510 ordinary shares of 10p each	49,851	49,851
		<u> </u>	<u> </u>
12	SHARE PREMIUM ACCOUNT		£
	1 July 2006 and at 30 June 2007		31 000
			<u> </u>

GW 1264 Limited

NOTES TO FINANCIAL STATEMENTS

for the year ended 30 June 2007

13	PROFIT AND LOSS ACCOUNT	£
	1 July 2006	(122,968)
	Loss for the financial year	(55,623)
	30 June 2007	<u>(178,591)</u>

14	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT	2007 £	2006 £
	Loss for the financial period	(55,623)	(131,092)
	Net deduction from shareholders' funds	<u>(55,623)</u>	<u>(131,092)</u>
	Opening shareholders (deficit) / funds as previously reported	(42,117)	185,975
	Prior year adjustment re FRS 25	-	(97,000)
	Opening shareholders' funds	<u>(42,117)</u>	<u>88,975</u>
	Closing shareholders' funds	<u>(97,740)</u>	<u>(42,117)</u>

15 ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking of the company is Oakmore Holdings Limited, a company registered in England and Wales

The ultimate parent undertaking of the company is Netstore Plc, a company registered in England and Wales. The largest and smallest consolidated accounts that include the results of the company are those of Netstore Plc, copies of which can be obtained from The Company Secretary, Netstore Plc, Continuity House, London Road, Bracknell Berkshire, RG12 2XH

The company has taken advantage of the exemptions given under Financial Reporting Standard No 8, Related Party Transactions, not to disclose transactions with entities that are members of or investees in, the Netstore Group

16 CONTINGENT LIABILITIES

The assets of the company are secured under a cross-guarantee with the ultimate parent undertaking bankers in regard to any indebtedness between the ultimate parent and its bankers by fixed and floating charge