

Quadrant Ventures Management Services Limited

FINANCIAL STATEMENTS

for the year ended

31 December 2011

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COMPANIES HOUSE

Company Registration No 3817489

Quadrant Ventures Management Services Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D A Cumper
M J Cumper

SECRETARY

M J Cumper

REGISTERED OFFICE

Oakhanger Boughton Hall Avenue
Send
Woking
Surrey
GU23 7DF

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
12 Gleneagles Court
Brighton Road
Crawley
West Sussex
RH10 6AD

Quadrant Ventures Management Services Limited

DIRECTORS' REPORT

The directors submit their report and financial statements of Quadrant Ventures Management Services Limited for the year ended 31 December 2011

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of an intermediary holding company

DIRECTORS

The directors who served the company during the year were as follows

D A Cumper
M J Cumper
P Williamson

P Williamson resigned as a director on 10 March 2011

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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 auditor is unaware. Each of the directors have 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.

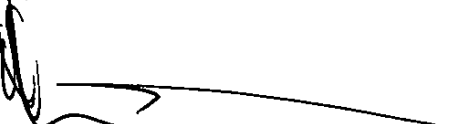
AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

By order of the board



M J Cumper

Company Secretary

27/5/2012

Quadrant Ventures Management Services Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF 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 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 those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting 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 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 AUDITOR'S REPORT TO THE MEMBER OF QUADRANT VENTURES MANAGEMENT SERVICES LIMITED

We have audited the financial statements on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (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/private.cfm.

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 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

Baker Tilly UK Audit LLP

JONATHAN ERICSON (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
12 Gleneagles Court
Brighton Road
Crawley
West Sussex RH10 6AD

27 August 2012

Quadrant Ventures Management Services Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2011

	Notes	2011 £	2010 £
TURNOVER		103,437	842,425
Administrative expenses		(3,142,595)	(1,568,264)
Other operating income	1	590,586	256,946
OPERATING LOSS	2	(2,448,572)	(468,893)
Attributable to			
Operating profit before exceptional items		109,131	131,107
Exceptional items	2	(2,557,703)	(600,000)
		(2,448,572)	(468,893)
Profit on disposal of investments		9,600,576	—
		7,152,004	(468,893)
Income from shares in group undertakings	4	590,109	300,000
Interest receivable	5	44,921	38,227
Amounts written off investments	6	(10,101)	—
		7,776,933	(130,666)
Interest payable and similar charges		(3,262)	(22,993)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		7,773,671	(153,659)
Taxation	7	(67,983)	76,540
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	19	7,705,688	(77,119)

Quadrant Ventures Management Services Limited

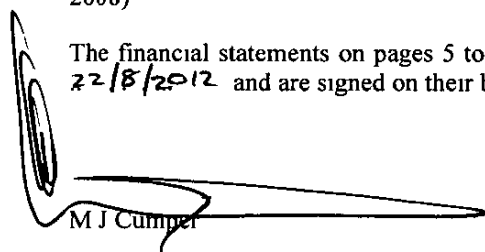
BALANCE SHEET

31 December 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	9	1,100,000	2,448,190
Investments	10	102	1,010,565
		<u>1,100,102</u>	<u>3,458,755</u>
CURRENT ASSETS			
Debtors	11	857,265	894,943
Cash at bank and in hand		–	1,109,944
		<u>857,265</u>	<u>2,004,887</u>
CREDITORS			
Amounts falling due within one year	13	(1,007,901)	(2,240,519)
NET CURRENT LIABILITIES		<u>(150,636)</u>	<u>(235,632)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>949,466</u>	<u>3,223,123</u>
CREDITORS			
Amounts falling due after more than one year	14	–	(539,345)
PROVISIONS FOR LIABILITIES	15	–	(440,000)
		<u>949,466</u>	<u>2,243,778</u>
CAPITAL AND RESERVES			
Called up share capital	18	360,400	360,400
Profit and loss account	19	589,066	1,883,378
SHAREHOLDER'S FUNDS		<u>949,466</u>	<u>2,243,778</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements on pages 5 to 15 were approved by the board of directors and authorised for issue on 22/8/2012 and are signed on their behalf by



M J Cumber

Quadrant Ventures Management Services Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

GOING CONCERN

The directors consider that the company has adequate financial resources to continue in operational existence for a period of at least 12 months from the date of signing of these accounts and the accounts have therefore been prepared on a going concern basis

CONSOLIDATION

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts

TURNOVER

Turnover represents the amount received or receivable from the provision of management services to group undertakings which fall within the company's ordinary activities, stated net of value added tax

FIXED ASSETS

All fixed assets are initially recorded at cost

INVESTMENT PROPERTY

In accordance with SSAP 19, investment property is re-valued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation is provided in respect of investments

DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows

Long leasehold property	- 40 years straight line
Short leasehold property	- Over period of the lease

IMPAIRMENTS

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments. Impairments of revalued assets, except those caused by a clear consumption of economic benefit, are recognised in the statement of total recognised gains and losses until the carrying amount reaches depreciated historic cost. All other impairment losses are recognised in the profit and loss account

OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

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

Quadrant Ventures Management Services Limited

ACCOUNTING POLICIES

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 substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2011

1 OTHER OPERATING INCOME

	2011	2010
	£	£
Rent receivable	<u>590,586</u>	<u>256,946</u>

2 OPERATING LOSS

Operating loss is stated after charging/(crediting)

	2011	2010
	£	£
Depreciation of owned fixed assets	55,248	55,248
Auditor's fees	2,000	26,500
Net profit on foreign currency translation	(45,756)	—
Provision against group debt	1,264,761	600,000
Provision for impairment of properties	<u>1,292,942</u>	<u>—</u>

3 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2011	2010
	£	£
Aggregate remuneration	79,660	479,166
Value of company pension contributions to money purchase schemes	—	49,000
	<u>79,660</u>	<u>528,166</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2011	2010
	No	No
Money purchase schemes	<u>—</u>	<u>3</u>

4 INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2011	2010
	£	£
Income from group undertakings	<u>590,109</u>	<u>300,000</u>

5 INTEREST RECEIVABLE

	2011	2010
	£	£
Bank interest receivable	8,314	13,395
HMRC interest	757	—
Interest from group undertakings	35,850	24,832
	<u>44,921</u>	<u>38,227</u>

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2011

6 AMOUNTS WRITTEN OFF INVESTMENTS

	2011	2010
	£	£
Amount written off investments	<u>10,101</u>	<u>—</u>

7 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2011	2010
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 26% (2010 - 28%)	24,600	41,597
Over/under provision in prior year	817	(32,023)
Total current tax	<u>25,417</u>	<u>9,574</u>
Deferred tax		
Origination and reversal of timing differences	42,566	(86,114)
Total deferred tax (note 12)	<u>42,566</u>	<u>(86,114)</u>
Tax on profit/(loss) on ordinary activities	<u>67,983</u>	<u>(76,540)</u>

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 26% (2010 - 28%), as explained below

	2011	2010
	£	£
Profit/(loss) on ordinary activities before taxation	<u>7,773,671</u>	<u>(153,659)</u>
Profit/(loss) on ordinary activities by rate of tax	2,021,154	(43,025)
Effects of		
Expenses not deductible for tax purposes	14,088	193,045
Capital allowances for period in excess of depreciation	(17,668)	(23,782)
Tax chargeable at lower rates	(608)	(641)
Adjustments to tax charge in respect of previous periods	817	(32,023)
Group income not taxable	(2,310,443)	(84,000)
Other short term timing differences	(18,088)	-
Impairment of fixed assets not allowable	336,165	-
Total current tax (note 7(a))	<u>25,417</u>	<u>9,574</u>

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2011

8 DIVIDENDS

Equity dividends	2011 £	2010 £
Paid during the year		
Dividends on equity shares £24 97 (2010 £0 83)	<u>9,000,000</u>	<u>300,000</u>

9 TANGIBLE FIXED ASSETS

	Investment property £	Long leasehold property £	Short leasehold Property £	Total £
Cost				
At 1 January 2011	-	2,166,405	1,271,505	3,437,910
Transfer	3,282,910	(2,011,405)	(1,271,505)	-
At 31 December 2011	<u>3,282,910</u>	<u>155,000</u>	<u>-</u>	<u>3,437,910</u>
Depreciation				
At 1 January 2011	-	394,773	594,947	989,720
Charge for the year	-	33,438	21,810	55,248
Impairment for the year	-	920,588	372,354	1,292,942
Transfer	2,217,335	(1,228,224)	(989,111)	-
At 31 December 2011	<u>2,314,698</u>	<u>120,575</u>	<u>-</u>	<u>2,337,910</u>
Net book value				
At 31 December 2011	<u>1,065,575</u>	<u>34,425</u>	<u>-</u>	<u>1,100,000</u>
At 31 December 2010	<u>-</u>	<u>1,771,632</u>	<u>676,558</u>	<u>2,448,190</u>

A transfer was made in the year to investment properties to reflect the fact that these properties are leased to former rather than current members of the group

10 INVESTMENTS

	Shares in group companies £
Cost	
Balance brought forward	1,270,456
Additions	140
Disposals	(1,260,393)
Balance carried forward	<u>10,203</u>
Amounts provided	
Balance brought forward	259,891
Written off for the year	10,101
Disposals	(259,891)
Balance carried forward	<u>10,101</u>
Net book value	
Balance carried forward	<u>102</u>
Balance brought forward	<u>1,010,565</u>

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2011

10 INVESTMENTS *(continued)*

The company holds more than 10% of the equity share capital of the following

	Country of registration and operation	Equity Class	Proportion held	Nature of business
Aether Lighting Limited	England	Ordinary	100%	Design and manufacture of architectural lighting
Richmond Plastics Limited	England	Ordinary	100%	Dormant
One 2 See Signs Limited	England	Ordinary	57.5%	Illuminated roadsigns
Designplan Lighting Inc	USA	Ordinary	25%	Design, manufacture and sale of lighting fittings

On 10 March 2011 the company completed the sale of its subsidiaries, Designplan Lighting Limited and Designplan International Limited, for cash consideration of £11,111,161. As part of this sale the company acquired the 75% holding in Designplan Lighting Inc from Designplan International Limited for £140. On 23 December 2011 the company disposed of 50% of its holding in Designplan Lighting Inc for nil consideration.

As part of the sale of Designplan Lighting Limited and Designplan International Limited, the company also acquired the 66.7% holding in FP Realty LLP from Designplan International Limited under the same acquisition noted above for £140. On 23 December 2011 the company disposed of its entire holding in FP Realty LLP for nil consideration.

Richmond Plastics Limited was formally put into liquidation on 8 May 2012 and as a result the holding in this company has been disposed of in the accounts.

11 DEBTORS

	2011 £	2010 £
Amounts owed by group undertakings	79,740	682,479
Corporation tax repayable	47,655	—
VAT recoverable	4,465	—
Other debtors	657,458	1,935
Deferred taxation (note 12)	67,947	210,529
	<u>857,265</u>	<u>894,943</u>

Included within other debtors is an amount of £500,000 due in more than 1 year (2010: £nil)

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2011

12 DEFERRED TAXATION

The deferred taxation included in the balance sheet is as follows

	2011	2010
	£	£
Included in debtors (note 11)	<u>67,947</u>	<u>210,529</u>

The movement in the deferred taxation account during the year was

	2011	2010
	£	£
Balance brought forward	210,529	124,415
Transferred to parent company	(100,016)	-
Profit and loss account movement arising during the year	<u>(42,566)</u>	<u>86,114</u>
Balance carried forward	<u>67,947</u>	<u>210,529</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2011	2010
	£	£
Excess of depreciation over taxation allowances	67,947	91,729
Former employees pension	-	118,800
	<u>67,947</u>	<u>210,529</u>

13 CREDITORS Amounts falling due within one year

	2011	2010
	£	£
Bank loans and overdrafts	177,043	98,831
Trade creditors	123	-
Amounts owed to group undertakings	700,436	1,528,225
Corporation tax	-	10,407
Other creditors	<u>130,299</u>	<u>603,056</u>
	<u>1,007,901</u>	<u>2,240,519</u>

14 CREDITORS Amounts falling due after more than one year

	2011	2010
	£	£
Bank loans	<u>-</u>	<u>539,345</u>

Bank loans and overdrafts due in more than five years totals £nil (2010 £192,612)

15 PROVISIONS FOR LIABILITIES

	2011	2010
	£	£
Unfunded pensions to former employees	<u>-</u>	<u>440,000</u>

The provision for pensions to former employees has been transferred to Quadrant Ventures Limited during the year as that company assumed the responsibility for these payments

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2011

16 CONTINGENCIES

The company has a cross guarantee with the following companies given to National Westminster Bank Plc against advances by the bank to these companies

Quadrant Ventures Limited
Richmond Lighting Limited
Aether Lighting Limited
One 2 See Signs Limited
Steelplan Kitchens Limited

The advances at 31 December 2011 totalled £65,965 (2010 £516,320)

The company is part of a group VAT election and is therefore jointly and severally liable for the VAT liability of other group companies. The total group liability at the year end is £20,153 (2010 £333,266)

17 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption from reporting transactions with other wholly-owned group companies conferred by Financial Reporting Standard No 8 on the grounds that it is a wholly-owned subsidiary of an ultimate holding company which publishes consolidated accounts. Transactions with partly owned group companies are as follows

Designplan Lighting Inc ("INC") is now an associate company as a result of the company acquiring 75% of INC during the year and then disposing of 50% of the shares to leave a shareholding of 25%. As part of the restructuring of the group and the subsequent disposal, the company assumed responsibility for debt owed by INC which totalled £1,366,480. The company has made a provision against this debt totalling £1,260,480 (2010 £nil). During the year INC paid interest to the company of £26,830 (2010 £nil).

One 2 See Signs Limited ("One 2 See") is a 57.5% owned subsidiary of the company. At the balance sheet date One 2 See owed Quadrant Ventures Management Services Ltd (Management) £613,640 (2010 £600,293). A provision of £610,000 has been made against this balance (2010 £600,000).

Richmond Lighting Limited ("Richmond") is under common control and unified management with Management. During the year ended 31 December 2011 Richmond was charged a management fee of £15,000 (2010 £30,000) by Management. Richmond was charged rent of £12,447 (2010 £16,596) by Management. There was no balance due between the companies at either year end.

Designplan Lighting Limited and Designplan International Limited were previously part of the Quadrant Ventures Limited group until they were sold on 10 March 2011. In the period 1 January 2011 to 10 March 2011, the company charged management fees of £88,437 (2010 full year £671,519). No disclosure is required of transactions or balances after the date of disposal of the companies.

During the year the balances owed by the company to both D A Cumper and M J Cumper totalling £557,136 and £558,081 respectively, were transferred to Quadrant Ventures Limited. The balance due to the directors at the previous year end was £319,324 and £238,133 respectively. Interest paid on these balances amounted to £nil (2010 £10,304).

D A Cumper and M J Cumper hold a controlling interest in the company by virtue of their shareholding in Quadrant Ventures Limited, this companies ultimate parent undertaking.

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2011

18 SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
360,400 Ordinary A shares of £0.1759 each	63,394	63,394
9,900,200 Preference A shares of £0.03 each	297,006	297,006
	<u>360,400</u>	<u>360,400</u>

Both 'ordinary' and 'preference' shares rank pari passu in all respects, apart from 'preference' shares are non-voting. On a winding up ordinary shares rank last for repayment but share fully in any net assets of the company remaining after all other parties have been paid in full.

19 PROFIT AND LOSS ACCOUNT

	2011 £	2010 £
At the beginning of the year	1,883,378	2,260,497
Profit/(loss) for the financial year	7,705,688	(77,119)
Dividends	(9,000,000)	(300,000)
At the end of the year	<u>589,066</u>	<u>1,883,378</u>

20 ULTIMATE PARENT COMPANY

The company's immediate and ultimate holding company is Quadrant Ventures Limited, a company incorporated in England. The largest and smallest group preparing consolidated accounts that include the results of the company is Quadrant Ventures Limited. These accounts can be obtained from Companies House.