

**DUELGUIDE GS LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2007**

TUESDAY



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COMPANIES HOUSE

**DUELGUIDE GS LIMITED**

**DIRECTORS AND ADVISERS**

**Directors**

MR Turner  
PC O'Driscoll  
DJ Collins  
JL Tuckey

**Secretary**

E L Services Limited

**Registered Office**

25 Harley Street  
London  
W1G 9BR

**Registered Auditors**

KPMG LLP  
8 Salisbury Square  
London  
EC4Y 8BB

## **DUELGUIDE GS LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and financial statements for the year ended 31 December 2007

#### **Principal activity**

The company's principal activity is to act as a holding company

#### **Review of business**

During the year the company received dividends from its subsidiary undertakings, but did not trade in any capacity

#### **Results and dividend**

The results for the year are shown in the profit and loss account on page 5. The profit for the year of £3,332,771 (2006- profit of £753,975) has been transferred to reserves

The directors do not recommend the payment of a dividend (2006 - nil)

#### **Directors' and directors' interests**

The directors who held office during the year were as follows

MR Turner	
PC O'Driscoll	(appointed 13 <sup>th</sup> December 2007)
DJ Collins	(appointed 13 <sup>th</sup> February 2008)
JL Tuckey	(appointed 15 <sup>th</sup> February 2008)
SA Nahum	(resigned 13 <sup>th</sup> December 2007)
RA McDiven	(resigned 13 <sup>th</sup> February 2008)
JE McGivern	(resigned 15 <sup>th</sup> February 2008)

None of the directors had any interest in the share capital of the company or any other company within the DGL Acquisitions Limited group

#### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

#### **Auditors**

The auditors, KPMG LLP, will continue in office as the company has passed on elective resolution to dispense with their annual re-appointment

By order of the board



DJ Collins  
Director

15 May 2008

## **DUELGUIDE GS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' 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)

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 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. 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

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUELGUIDE GS LIMITED**

We have audited the financial statements of Duelguide GS Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet 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 UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

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 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 within it.

### **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 judgments 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 UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 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 LLP**  
Chartered Accountants  
Registered Auditor  
London

15 May 2008

**DUELGUIDE GS LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Notes	2007 £	2006 £
Investment income	2	3,332,771	475,144
Administrative expenses	3	-	33
<b>Operating profit</b>		<u>3,332,771</u>	<u>475,177</u>
<b>Profit on ordinary activities before financing</b>		<u>3,332,771</u>	<u>475,177</u>
Net interest income	4	-	278,798
<b>Profit on ordinary activities before taxation</b>		<u>3,332,771</u>	<u>753,975</u>
Taxation	5	-	-
<b>Profit for the year</b>		<u><u>3,332,771</u></u>	<u><u>753,975</u></u>

The above results relate entirely to continuing operations


The company has no recognised gains and losses other than those included in the profit and loss account above and, therefore, no separate statement of total recognised gains and losses has been presented

**DUELGUIDE GS LIMITED**

**BALANCE SHEET  
AS AT 31 DECEMBER 2007**

	Notes	2007 £	2006 £
<b>Fixed assets</b>			
Investments	6	<u>1,499,996</u>	<u>1,499,998</u>
<b>Current assets</b>			
Debtors	7	21,407,126	5,332,444
<b>Current liabilities</b>			
Creditors	8	(1,112,208)	-
<b>Net current assets</b>		<u>20,294,918</u>	<u>5,332,444</u>
<b>Net assets</b>		<u>21,794,914</u>	<u>6,832,442</u>
<b>Capital and Reserves</b>			
Called up share capital	9	2,526,452	1,500,000
Share premium	9	10,603,249	-
Profit and loss account	10	8,665,213	5,332,442
<b>Equity shareholders' funds</b>	11	<u>21,794,914</u>	<u>6,832,442</u>

Approved by the board of directors on 15 May 2008 and signed on its behalf by



DJ Collins  
Director

## **DUELGUIDE GS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

#### **1 ACCOUNTING POLICIES**

##### **Basis of accounting**

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

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to produce group accounts

##### **Fixed asset investments**

Fixed asset investments are stated in the balance sheet at cost less a provision if, in the opinion of the directors, there has been a permanent diminution in value

##### **Taxation**

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax on all timing differences that have originated but not reversed at the balance sheet date, where an event has occurred that results in an obligation to pay more or less tax in the future, except that

- (i) provision is not made in respect of property revaluation surpluses unless an unconditional sales agreement has been signed and rollover relief is not available to cover any gain arising, and
- (ii) deferred tax assets are recognised only to the extent that it is more likely than not that there will be suitable taxable profits from which the future reversal of the relevant timing differences can be deducted

Deferred tax is measured on a non discounted basis at the tax rates which apply at the balance sheet date

##### **Cash flow statement**

A consolidated cashflow is published in the group accounts of DGL Acquisitions Limited, the ultimate holding company. The company is exempt under Financial Reporting Standard No 1 from publishing its own cashflow statement

##### **Related party transactions**

As the company is a wholly owned subsidiary of DGL Acquisitions Limited, 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 (or investees of the group qualifying as related parties). The consolidated financial statements of DGL Acquisitions Limited, within which this company is included, can be obtained from the address given in note 12



# DUELGUIDE GS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007 (continued)

2	INVESTMENT INCOME	2007 £	2006 £
	Reversal of prior year write down of loans receivable	4,444,862	475,144
	Sale proceeds	48,632	-
	Cost of sales	(48,513)	-
	Net profit on disposal of subsidiaries	119	-
	Dividends from subsidiary undertakings	20,942,531	-
	Reduction in investment value as a result of dividends paid	(20,942,531)	-
	Net investment income from subsidiaries	-	-
	Loss on recognition of non recoverable loans of subsidiaries	(1,112,208)	-
	Write down of investments to estimated market value	(2)	-
	Net other investment income/(loss)	(1,112,210)	-
		3,332,771	475,144

3	ADMINISTRATIVE EXPENSES	2007 £	2006 £
	Other administrative expenses	-	33

None of the directors have received any remuneration from the company during the year (2006 nil)

The company has no employees

Audit fees are paid by Duelguide Management Services and accounted for on a group basis. Audit fees attributable to Duelguide GS Limited are estimated to be £1,000 (2006 - £2,000)

4	NET INTEREST INCOME	2007 £	2006 £
	Interest receivable from related parties	-	206,247
	Foreign exchange gain	-	72,551
		-	278,798

# DUELGUIDE GS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007 (continued)

5	TAXATION	2007 £	2006 £
	(i) Analysis of charge for the year		
	Current tax:		
	UK corporation tax charge on results	-	-
	Tax charge on ordinary activities	-	-
	ii) Factors affecting the tax charge for the year		
	Profit on ordinary activities before tax	3,332,771	753,975
	Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30 per cent (2006 - 30 per cent)	999,831	226,193
	Effects of		
	Movement in loan provision not assessable for tax purposes	(1,333,459)	(142,543)
	Capital losses surrendered to other group companies under s179A	7,782,722	-
	Receipt of dividend income not assessable for tax purposes	(7,782,757)	-
	Write down of investments not deductible for tax purposes	1	-
	Transfer of losses to/from other group companies for which no payment will be received/paid	333,662	(83,650)
	Current tax charge for the year	-	-

6	FIXED ASSETS INVESTMENTS	2007 £	2006 £
	Balance at 1 January	1,499,998	1,499,998
	Additions	20,991,045	-
	Reduction in investments' value as a result of dividends paid	(20,942,531)	-
	Disposals	(48,514)	-
	Write offs	(2)	-
	Balance at 31 December 2007	1,499,996	1,499,998

At 31 December 2007 the investment in subsidiary undertakings represented all of the issued share capital of Cookwork Limited, Oneplace 2000, Softoften and Tradepanel, all of which are registered in England and Wales. Oneplace 2000, Softoften and Tradepanel are unlimited companies.

During the year the company acquired the following companies at their market values and then subsequently disposed of them at their market values at the date of sale.

<u>Name</u>	<u>Principal activity</u>	<u>Percentage owned</u>
Azote Brentford BV	Property Development	100%
Brentford Investment BV	Property Development	100%
Oranje Staate BV	Property Development	100%

# **DUELGUIDE GS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007 (continued)**

<b>7</b>	<b>DEBTORS</b>	<b>2007</b> £	<b>2006</b> £
	Amount due from related party	<b>13,672,738</b>	12,819,973
	Provision against loan from related party	<b>(8,338,459)</b>	(7,487,529)
		<b>5,334,279</b>	5,332,444
	Amounts due from group undertakings	<b>16,072,847</b>	-
		<b>21,407,126</b>	5,332,444

The amount due from related parties includes a loan to Duelguide GS Sarl, a former subsidiary in the DGL Acquisitions Ltd group until the sale of Global Switch in 2005, of £5,332,444. In the opinion of the directors the value of the loan is not less than the net amount shown above.

<b>8</b>	<b>CREDITORS</b>	<b>2007</b> £	<b>2006</b> £
	Amounts due to group undertakings	<b>1,112,208</b>	-

<b>9</b>	<b>CALLED UP SHARE CAPITAL</b>	<b>Authorised</b> £	<b>Allotted, called up and fully paid</b> £
	Ordinary shares of £1 each		
	At 1 January	5,000,000	1,500,000
	Increase in capital	15,000,000	-
	Shares issued	-	1,026,452
	At 31 December	<b>20,000,000</b>	<b>2,526,452</b>

During the year the company increased its authorised capital to 20,000,000 ordinary £1 shares.

On 4 December 2007 an additional 1,026,452 ordinary £1 shares were issued to the company's parent undertaking, Duelguide (UK) Limited based on a market value of £11.33 per share. The total amount paid by Duelguide (UK) Limited for the shares was £11,629,701, resulting in a share premium of £10,603,249.

# **DUELGUIDE GS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007 (continued)**

<b>10</b>	<b>PROFIT AND LOSS ACCOUNT</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	At 1 January	<b>5,332,442</b>	<b>4,578,467</b>
	Profit for the year	<b>3,332,771</b>	<b>753,975</b>
		<hr/>	<hr/>
	At 31 December	<b>8,665,213</b>	<b>5,332,442</b>
		<hr/>	<hr/>

<b>11</b>	<b>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	At 1 January	<b>6,832,442</b>	<b>6,078,467</b>
	Profit for the year	<b>3,332,771</b>	<b>753,975</b>
	Issue of share capital during the year	<b>11,629,701</b>	<b>-</b>
		<hr/>	<hr/>
	At 31 December	<b>21,794,914</b>	<b>6,832,442</b>
		<hr/>	<hr/>

## **12** **HOLDING COMPANIES**

The immediate holding and controlling company is Duelguide (UK) Limited and the ultimate holding and controlling company is DGL Acquisitions Limited. Both companies are registered in England and Wales and a copy of the accounts of that holding company, which is both the largest and smallest group in which these results of the company are consolidated, are available from 40 Berkeley Square, London, W1J 5AL.