

Gems Holding Limited
DIRECTORS AND OFFICERS

Gems Holding Limited

**REPORT AND UNAUDITED FINANCIAL
STATEMENTS**

Year ended 31 December 2008



Gems Holding Limited

DIRECTORS AND OFFICERS

Company Registration No. 06340931

DIRECTORS

PS Ferstendik
I Dyan

SECRETARY

K Fox

REGISTERED OFFICE

3 Blackhorse Lane
London E17 6DS

SOLICITORS

James Gordon
Gordons Solicitors
22 Great James Street
London WC1N 3ES

BANKERS

National Westminster Bank plc
Walthamstow Central
204 High Street
Walthamstow
London E17 7LL

Gems Holding Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Gems Holding Limited for the Year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was to be the holding company for Gems Studio Limited

DIVIDENDS

The directors do not recommend payment of a dividend (2007: £Nil).

DIRECTORS

The following directors have held office since 1 January 2008:

PS Ferstendik
I Dyan

By order of the board



K Fox
Secretary

18 December 2009

Gems Holding Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements 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 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.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Gems Holding Limited
PROFIT AND LOSS ACCOUNT
for the Year ended 31 December 2008

	Notes	Year ended 31.12.08 £	Year ended 31.12.07 £
TURNOVER		-	-
Cost of sales		-	-
Gross profit		-	-
Other operating expenses (net)		-	-
Other operating income		-	-
OPERATING PROFIT		-	-
Interest receivable		-	-
Interest payable		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Taxation		-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	-
Dividends		-	-
RETAINED PROFIT FOR THE YEAR		-	-

Gems Holding Limited

BALANCE SHEET

31 December 2008

	Notes	31 December 2008 £	31 December 2007 £
FIXED ASSETS			
Investments	1	466,455	-
NETT ASSETS		<u>466,455</u>	<u>-</u>
CAPITAL AND RESERVES			
Called up share capital	2	299	-
Share Premium account	3	466,156	-
Profit and loss account		-	-
SHAREHOLDERS' FUNDS		<u>466,455</u>	<u>-</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the board on 18 December 2009 and signed on its behalf by;

K Fox



Director

Gems Holding Limited

ACCOUNTING POLICIES

for the Year ended 31 December 2008

PRINCIPAL ACCOUNTING POLICIES

The company's principal accounting policies are set out below and have been applied consistently throughout the year. The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

INVESTMENTS

The fixed asset investment represents the company's investment in its subsidiary and is stated at cost, less a provision for impairment in value where appropriate.

CONSOLIDATION

The company has taken advantage of the exemption under s248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads is not an ineligible group and qualifies as a small group in accordance with s249 of the Companies Act 1985. Consequently, these accounts present the financial position of the company as an individual entity and not as a parent of a group.

Gems Holding Limited

NOTES TO THE FINANCIAL STATEMENTS for the Year ended 31 December 2008

1 INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

£

At 1 January 2008	-
Additions in the year	466,455
At 31 December 2008	466,455

Details of the company's principal subsidiary is shown below. The investment is valued on the basis of cost less any subsequent impairment. During the year the directors reviewed the carrying value of the investment and concluded no impairment had occurred.

PRINCIPAL SUBSIDIARY UNDERTAKING

Company Name	Country of Incorporation	% Ordinary Shares held	% Ordinary A Shares held
Gems Studio Limited	England and Wales	100	100

The principal activity of the subsidiary undertaking is the manufacture and distribution of museum display figures.

The aggregate amount of capital and reserves and the results of the undertaking for the last relevant financial year were as follows;

	Capital and reserves £	Profit for the year £
Gems Studio Limited	81,990	(46,184)

Gems Holding Limited

NOTES TO THE FINANCIAL STATEMENTS

for the Year ended 31 December 2008

2	SHARE CAPITAL	2008 Number	2008 £	2007 Number	2007 £
	Authorised				
	Ordinary shares of £0.083 each (2007: £0.083 each)	10,812	897	10,812	897
	Ordinary A shares of £0.083 each (2007: £0.083 each)	612	51	612	51
	Ordinary B shares of £0.083 each (2007: £0.083 each)	576	48	576	48
		<u>12,000</u>	<u>996</u>	<u>12,000</u>	<u>996</u>
	Allotted, issued and fully paid				
	Ordinary shares of £0.083 each (2007: £0.083 each)	2,400	200	1	-
	Ordinary A shares of £0.083 each	612	51	-	-
	Ordinary B shares of £0.083 each	576	48	-	-
		<u>3,588</u>	<u>299</u>	<u>1</u>	<u>-</u>

On 28 January 2008, 2,399 Ordinary shares, 612 Ordinary A shares and 576 Ordinary B shares, all of £0.083 nominal value per share, were allotted and issued for a non-cash consideration. The non-cash consideration was a contract for liquidation of Mandora Group Ltd., a related party.

3 SHARE PREMIUM

On 28 January 2008, the Company allotted and issued, credited as fully paid, 2,399 Ordinary shares, 612 Ordinary A shares and 576 Ordinary B shares. The non-cash consideration received was a contract for liquidation of Mandora Group Ltd., a related party, which was valued at £466,455 and as a result a new share premium account in the amount of £466,156 was created.

4 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Share capital £'000	Share Premium £'000	Total £'000
1 January 2008	-	-	-
Issue of shares -for non-cash consideration	299	466,156	466,455
At 31 December 2008	<u>299</u>	<u>466,156</u>	<u>466,455</u>

5 IMMEDIATE AND ULTIMATE CONTROL

At 31 December 2008, the company's immediate and ultimate controlling party were the directors, P Ferstendik and I Dyan.

6 RELATED PARTY TRANSACTIONS

During the year, shares with a nominal value of £299 were allotted, and issued in favour of the directors and their relatives, for a non-cash consideration valued at £466,455. As part of this transaction, the company acquired 100% of the issued share capital of Gems Studio Ltd. from Mandora Group Ltd., a company controlled by the directors.