

GFT Dealing Limited

REPORT AND ACCOUNTS

FOR THE YEAR TO 31 AUGUST 2012

Registered No 07049567
England and Wales

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GFT DEALING LIMITED

REPORT OF THE DIRECTORS

The Directors of GFT Dealing Limited submit their Report and the Accounts for the year to 31 August 2012

Principal Activity And Review of Business

The Company's principal activity is the business of dealing in shares, securities and other financial instruments. The Directors believe that it is appropriate to prepare the accounts on a break up basis as this Company is currently not active and an application for it to be struck off has been made since the year end.

Result And Dividends

The Company made a loss for the period of £25,537 (2011: £89,778). No dividend was paid to the Company's parent, Henderson Fledgling Trust plc, in the period (2011: £nil).

Capital Contribution

A capital contribution of £115,314 was made during the year from the parent company in order to extinguish the losses incurred in the Company.

Review Of Business

The Company is an investment dealing company. The Directors consider that both the financial position at 31 August 2012 and the level of business transacted in the period then ended were satisfactory.

Directors And Their Interests

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

T Bartlam
R Birkett
P Dicks
J Hancox
J West (resigned 12 December 2011)

There are no Directors' interests to be disclosed under the Companies Act 2006. 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.

Principal Risks And Uncertainties

The principal risks facing the Company are market price risk, credit risk and liquidity risk, as expanded in note 11 to the Accounts.

Corporate Governance

The policy of the Company's parent, Henderson Fledgling Trust plc, is to seek to comply with the UK Corporate Governance Code, as required by the Listing Rules of the Financial Services Authority, to the extent appropriate to an investment trust company that is not a FTSE 350 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.

GFT DEALING LIMITED

REPORT OF THE DIRECTORS (*Continued*)

Investment Management And Other Agreements

The Company's investments are managed by Henderson Global Investors Limited under an Investment Management Agreement with the Company's parent, Henderson Fledgling Trust plc

Company secretarial and administrative services are provided to the Company by Henderson Secretarial Services Limited pursuant to a Company Secretarial and Administration Agreement with the Company's parent, Henderson Fledgling Trust plc

HSBC Bank plc provides custodian services to the Company



By Order of the Board
Henderson Secretarial Services Limited
Secretary
1 November 2012

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 year

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,
- the accounts have been prepared on a break-up basis as disclosed in note 1

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 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

Tom Bartlam
Chairman
1 November 2012



GFT DEALING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GFT DEALING LIMITED

We have audited the financial statements of GFT Dealing Limited for the year ended 31 August 2012 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial statements have been prepared on a break-up basis as disclosed in note 1.

This report is made solely to the Company's members, 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 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 opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on 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 August 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRS as adopted by the European Union, 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



Amarjit Singh (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP,
Statutory Auditor
1 November 2012

GFT DEALING LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2012

	Note	Year to 31 August 2012 £	Year to 31 August 2011 £
Sales of investments		399,676	169,489
Cost of sales		(432,048)	(122,103)
Realised (losses)/gains on investments		(32,372)	47,386
Gains/(losses) on investments held at fair value through profit or loss		-	(136,979)
Operating expenses		(115)	(16)
Operating loss		(32,487)	(89,609)
Other income			
UK Franked dividends		10,500	-
Bank interest receivable		5	8
Net loss before finance costs and taxation		(21,982)	(89,601)
Finance costs			
Interest payable		(3,555)	(177)
Net loss before taxation		(25,537)	(89,778)
Taxation	3	-	-
Loss for the period and total comprehensive income		(25,537)	(89,778)

No gains or losses were attributable to shareholders other than those shown in the Statement of Comprehensive Income

No operations were acquired or discontinued during the year

The notes on pages 9 to 13 form part of these financial statements

GFT DEALING LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2012

	Note	At 31 August 2012 £	At 31 August 2011 £
Current assets			
Investments held at fair value	4	-	245,500
Other receivables	5	-	-
Cash and cash equivalents		-	-
Total assets		<u>-</u>	<u>245,500</u>
Current liabilities			
Other payables	6	-	(335,277)
			-
Net assets		<u>-</u>	<u>(89,777)</u>
Equity attributable to equity shareholders			
Called-up share capital	7	1	1
Capital contribution		115,314	-
Revenue reserve		(115,315)	(89,778)
Total Equity		<u>-</u>	<u>(89,777)</u>

Tom Bartlam
Director



Approved by the Board on 1 November 2012

Registered No 07049567 England

The notes on pages 9 to 13 form part of these financial statements

GFT DEALING LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2012

	Called up Share Capital £	Capital Contribution £	Retained Earnings £	Total £
Total equity at 31 August 2010	1	-	-	1
Net loss for the year to 31 August 2011	-	-	(89,778)	(89,778)
Total equity at 31 August 2011	1	-	(89,778)	(89,777)
Net loss for the year to 31 August 2012	-	-	(25,537)	(25,537)
Capital contribution from parent	-	115,314	-	115,314
Total equity at 31 August 2012	1	115,314	(115,315)	-

The notes on pages 9 to 13 form part of these financial statements

GFT DEALING LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2012**

	At 31 August 2012 £	At 31 August 2011 £
Cash flows from operating activities		
Loss before finance costs and taxation	(21,982)	(89,601)
Adjustments for		
Decrease/(increase) in investments	245,500	(245,500)
Decrease in other receivables	-	1
(Decrease)/increase in other payables	(335,277)	335,277
Net cash from operating activities	<u>(111,759)</u>	<u>177</u>
Cash flows from financing activities		
Contribution from parent	115,314	-
Finance costs	(3,555)	(177)
Net cash from financing activities	<u>111,759</u>	<u>(177)</u>
Net (decrease)/increase in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	<u>-</u>	<u>-</u>

The notes on pages 9 to 13 form part of these financial statements

GFT DEALING LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 AUGUST 2011

1 ACCOUNTING POLICIES

In line with the Company's parent, the accounts for the year ended 31 August 2012 have been prepared in accordance with International Financial Reporting Standards (IFRS), which comprise standards and interpretations approved by the International Accounting Standards Board (IASB) and International Accounting Standards Committee (IASC), as adopted by the European Union

As the Directors have applied for the Company to be struck off, these financial statements have been prepared under a break up basis. This requires all of the assets to be accounted for at their recoverable amount. It is assumed that all liabilities for the Company will be settled within one year.

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 Statement of Comprehensive Income.

Other receivables

Other receivables do not carry any interest and are short-term in nature. Accordingly they are stated at their nominal value, 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 Statement of Comprehensive Income 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 fee and other expenses are paid by the Company's parent, Henderson Fledgling Trust plc.

GFT DEALING LIMITED

NOTES TO THE ACCOUNTS (*Continued*)

3 TAXATION

Tax reconciliation	2012 £	2011 £
Loss on ordinary activities before taxation	<u>(25,537)</u>	<u>(89,778)</u>
Current tax at 26% (2011 28%)	(3,873)	(14,664)
Current tax at 24% (2011 26%)	(2,554)	(9,726)
Unrelieved current year expenses and deficits	<u>6,427</u>	<u>24,390</u>
Total tax charge	<u>-</u>	<u>-</u>

At 31 August 2012 the Company had £26,755 (2011 £23,294) of trading losses and £920 (2011 £48) of non-trading deficits. These have not been recognised as deferred tax assets as the Company is not expected to generate sufficient taxable income in excess of deductible expenses and losses available from the parent company for group relief in the foreseeable future. Accordingly, it is unlikely the Company will be able to reduce future tax liabilities through the use of existing trading losses and non-trading deficits.

4 INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

UK Listed Investments	2012 £	2011 £
Book value brought forward	382,479	-
Acquisitions at cost	186,548	504,582
Sales proceeds	(399,676)	(169,489)
Loss recognised in prior period	(136,979)	-
Realised (loss)/gain on investments	(32,372)	47,386
Book value carried forward	<u>-</u>	<u>382,479</u>
Provision for unrealised loss	<u>-</u>	<u>(136,979)</u>
Fair value at 31 August	<u>-</u>	<u>245,500</u>

	2012 £	2011 £
Transaction costs -		
On purchases	767	4,023
On sales	592	511
	<u>1,359</u>	<u>4,534</u>

GFT DEALING LIMITED

NOTES TO THE ACCOUNTS (*Continued*)

5 OTHER RECEIVABLES

	2012 £	2011 £
Amount due from parent company	-	-
	<u>-</u>	<u>-</u>

6 OTHER PAYABLES

	2012 £	2011 £
Bank Overdraft	-	255,278
Amount due to parent company	-	79,999
	<u>-</u>	<u>335,277</u>

7 CALLED-UP SHARE CAPITAL

	2012 £	2011 £
Allotted, called-up and fully paid 1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

8 ULTIMATE PARENT COMPANY

The Company is a wholly owned subsidiary of Henderson Fledgling Trust plc, which is registered in England and Wales. The consolidated Report and Accounts for the Group are available from Henderson Global Investors, 201 Bishopsgate, London EC2M 3AE.

9 CONTINGENT LIABILITIES AND COMMITMENTS

At 31 August 2012 the Company had a contingent liability of £nil (2011 £nil) in respect of exercise of warrants and no capital commitments.

10 RELATED PARTY TRANSACTIONS

During the year to 31 August 2012, the Company received funding from its parent (Henderson Fledgling Trust plc), to finance its trading activity and also a capital contribution of £115,314 (2011 nil) to extinguish losses incurred in the Company. At 31 August 2012, there was an outstanding balance of £Nil (2011 £79,999) due to the parent company.

NOTES TO THE ACCOUNTS (*Continued*)

11 FINANCIAL INSTRUMENTS RISK MANAGEMENT

The Directors manage investment risk principally through contracting, via the Company's parent, management of the investments to an investment manager under a contract which incorporates appropriate duties and restrictions and by monitoring performance in relation to these. The Board's relationship with the investment manager, together with the Board's approach to risk and internal control are discussed in the annual report for the Group published by the Company's parent, Henderson Fledgling Trust plc.

The Company's main investment risks are market risk, credit risk and liquidity risk. The Company normally has no exposure to currency risk.

Market risk

As an investment dealing company performance is dependent on the changes in the market value of its investments during the time they are held. Consequently market price risk is the most significant risk that the Company is exposed to.

The Company seeks to make equity returns from short-term positions and the exposure to market price risk is limited by this short-term nature of the holdings. However, equity investments are in smaller companies, whose share prices tend to be more volatile than those of larger companies. The Company may also invest in derivatives, although none were held at the period-end, nor at any time during the year to 31 August 2012 (2011: none).

At the year-end the Company's assets exposed to market price risk, being current asset investments held for trading, amounted to £Nil (2011: £245,500). Due to the opportunistic nature of the Company's trading the period-end position is not representative of positions throughout the period.

To illustrate the sensitivity of the Company's net assets to changes in the value of the portfolio elements described, a 10% change in the year-end equity portfolio, in isolation, would give rise to a corresponding change of nil% (2011: 27%) in net assets.

Since the results of all the Company's operations are considered to be of a revenue nature the effects on revenue would be commensurate with the effects on Net Assets.

Credit risk

Credit risk is the exposure to loss from the failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits. The Company manages credit risk by using brokers from a database of approved brokers who are subject to independent review of key criteria by the Manager's Counterparty Management Committee. The maximum exposure to credit risk at 31 August 2012 was as follows:

	2012 £	2011 £
Due from parent company	-	-
	<u>-</u>	<u>-</u>

All of the above financial assets are current, their fair values are considered to be the same as the values shown and the likelihood of a material credit default is considered to be low.

GFT DEALING LIMITED

NOTES TO THE ACCOUNTS (*Continued*)

Liquidity risk

Liquidity risk is the possibility of failure of the Company to realise sufficient assets to meet its financial liabilities. The Company relies on the liquidity and loan facilities available to its parent. These are described in the annual report for the Group referred to above. Cash requirements are monitored constantly.

The financial liabilities of the Company at the year-end are as disclosed in note 6.

Fair value hierarchy

The fair value hierarchy has the following levels:

Level 1 - valued using quoted bid prices in active markets for identical assets

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data

Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

At 31 August 2012	Level 1 (£)	Level 2 (£)	Level 3 (£)	Total (£)
Ordinary shares	-	-	-	-
	-	-	-	-
At 31 August 2011	Level 1 (£)	Level 2 (£)	Level 3 (£)	Total (£)
Ordinary shares	245,500	-	-	245,500
	245,500	-	-	245,500

12 Capital

The Company's capital, or equity, is represented by its net assets.

The main risks to the Company's investments are shown in Note 11.

The Company is subject to externally imposed capital requirements by the Companies Act 2006.

Total Equity at 31 August 2012, the composition of which is shown in the Statement of Financial Position on page 6, was £Nil (2011: £(89,777)).