



Garbuio Limited

Company No: 3205926

Annual Report and Financial Statements

Year ended 31 October 2011

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Garbuio Limited

Registered no 3205926

Director's Report

The Directors present their annual report and the company's audited financial statements for the year ended 31 October 2011

Principal activities and review of the business

The company did not trade in the year. The Company undertook a share capital reduction scheme and returned the surplus funds to the shareholder via an interim dividend of £1,726,569 per share.

The results for the year are set out on page 4.

Directors

The following directors have held office since 1 November 2010:

Mr M Favaro

Mr G Szentesi (appointed 18 March 2011)

Mr A Westlake (resigned 18 March 2011)

The Company Secretary is Mr G Szentesi.

European Tobacco Development S A is the ultimate parent undertaking and as such is interested beneficially in all the issued share capital of the Company.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditors are unaware. Each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Garbuio Limited

Director's Report (continued)

Statement of Director's responsibilities

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

- select suitable accounting policies and then apply them consistently,
- make judgments 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 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 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 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.

The directors confirm that the requirements listed above have been met.

The directors' report has been prepared within the special provisions of Part XV of the Companies Act 2006 relating to small entities.

Approved by the board on 7 February 2012 and signed on its behalf by



G Szentesi
Company Secretary

Registered office: Moorside Road, Winchester, Hampshire, SO23 7SS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GARBUIO LIMITED

We have audited the financial statements of Garbuio Ltd for the year ended 31 October 2011 which comprise Profit and Loss Account, the Balance Sheet and the related notes 1 to 13. The financial reporting framework has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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, 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 and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any 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 October 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirements of the Companies Act 2006

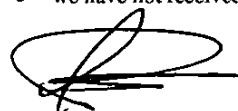
Opinion on other matter prescribed by the Companies Act 2006

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 do so 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



Charles Pretty (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Southampton

8 February 2012

Garbuio Limited

Profit and loss account for the year ended 31 October 2011

	Note	2011 £	2010 £
Turnover	2	-	48,501
Cost of Sales		(2,170)	(21,526)
Gross (loss)		<u>(2,170)</u>	<u>26,975</u>
Other operating expenses	3	(31)	8,095
Operating (loss) / profit	5	<u>(2,201)</u>	<u>35,070</u>
Interest receivable	4	11	17
(Loss) / Profit on ordinary activities before taxation		<u>(2,190)</u>	<u>35,087</u>
Tax on (loss) / profit on ordinary activities	7	-	(3,371)
(Loss) / profit on ordinary activities after taxation		(2,190)	31,716
Interim dividend		(1,726,569)	-
Retained (loss) / profit		<u><u>(1,728,759)</u></u>	<u><u>31,716</u></u>

There were no recognised gains or losses in the year other than those disclosed above, which relate entirely to continuing operations

There is no difference between the loss on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents

The notes on pages 6 to 8 form part of these financial statements

Garbuio Limited

Balance sheet as at 31 October 2011

	Notes	£	2011 £	£	2010 £
Current Assets					
Debtors	8	-		1,728,112	
Cash at bank and in hand		<u>672</u>		<u>13,179</u>	
		672		1,741,291	
Creditors -amounts falling due within one	9	-		(11,860)	
Net current assets			672		1,729,431
Total assets less current liabilities			<u>672</u>		<u>1,729,431</u>
Net assets			<u>672</u>		<u>1,729,431</u>
Capital and reserves					
Called up share capital	10		1		1,723,097
Profit and loss account	11		671		6,334
Shareholders' funds	11		<u>672</u>		<u>1,729,431</u>

The notes on page 6 to 8 form part of these financial statements

Approved by the board on 7 FEBRUARY 2012 and signed on its behalf by

G. Szentesi

G Szentesi
Director

Company No 3205926

Garbuio Limited

Notes to the financial statements

1. Statement of accounting policies

Accounting basis and standards

The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006 and applicable UK accounting standards

The financial statements of Garbuio Limited were approved for issue by the Board of Directors on the date shown on the balance sheet

Foreign currency

Assets and liabilities expressed in currencies other than sterling are translated at year end exchange rates. Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction, or where forward foreign exchange contracts have been arranged, at the contracted rates. Any exchange differences (including those arising from the normal course of trading) are dealt with through the profit and loss account.

Turnover

Turnover represents the fees charged for the rights to sell Garbuio Limited derived spare/wear parts

2 Turnover	2011	2010
Percentage of Turnover relating to non-UK markets	<u>0%</u>	<u>0%</u>

3 Other operating expenses	2011	2010
	£	£
Administrative expenses	<u>31</u>	<u>(8,095)</u>

The audit fees are paid by Dickinson Legg Limited and ultimately borne by European Tobacco Development SA

4 Interest receivable	2011	2010
	£	£
Bank interest	<u>11</u>	<u>17</u>

5 Operating profit	2011	2010
	£	£
Operating profit is stated after charging / (crediting)		
Loss / (profit) on foreign exchange transactions	<u>2,170</u>	<u>21,526</u>

6 Employee information & Directors' remuneration

Amounts paid to directors of £5,675 were paid by the fellow group company Dickinson Legg Limited

Garbuio Limited

Notes to the financial statements (continued)

7. Taxation	2011 £	2010 £
Current tax charge	<u>-</u>	<u>3,371</u>

Factors affecting the tax charge for the period

The tax assessed is lower than the standard rate of corporation tax in the UK (26%)

The differences are explained below

	2011 £	2010 £
(Loss) / profit on ordinary activities before tax	<u>(2,190)</u>	<u>35,087</u>
(Loss) / profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2010 28%)	<u>(569)</u>	<u>9,824</u>
Effects of		
Movement on unrecognised deferred tax	569	(5,329)
Reduction as tax payable at small companies rate (21%)	-	(1,124)
Current year tax charge	<u>-</u>	<u>3,371</u>

The company has losses of £2,190 (2010 £nil) available for carry forward against future trading profits

8. Debtors	2011 £	2010 £
Amounts due from group undertakings	<u>-</u>	<u>1,728,112</u>

9. Creditors - amounts falling due within one year	2011 £	2010 £
Corporation tax	-	3,371
Taxes and social security costs	-	8,489
	<u>-</u>	<u>11,860</u>

Garbuio Limited

Notes to the financial statements (continued)

10. Share capital

	2011 £	2010 £
Authorised		
1 Ordinary shares of £1 each	<u>1</u>	<u>2,500,000</u>
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	<u>1</u>	<u>1,723,097</u>

During the year the Company enacted a share capital reduction scheme. The authorised share capital was reduced from 2,500,000 ordinary shares of £1 each to one £1 ordinary share. The unissued shares were also cancelled.

11. Reserves & reconciliation of movement in shareholders' funds

Reserves	Share capital £	Profit & loss account £	Total £
As at 1 November 2010	1,723,097	6,334	1,729,431
Share reduction	(1,723,096)	1,723,096	-
(Loss) for the year	-	(1,728,759)	(1,728,759)
As at 31 October 2011	<u>1</u>	<u>671</u>	<u>672</u>

Reconciliation of movement in shareholders' funds

	2011 £	2010 £
(Loss) / profit for the year	(1,728,759)	31,716
Opening shareholders' funds	1,729,431	1,697,715
Closing shareholders' funds	<u>672</u>	<u>1,729,431</u>

12. Ultimate parent undertaking

The ultimate parent undertaking is C3A Holding Uno SpA, which is registered in Italy. European Tobacco Development S A is the intermediate parent undertaking. C3A Holding Uno SpA Srl is the largest group to prepare group accounts, which incorporate the results of the Company. These accounts are publicly available on payment of the appropriate fee by writing to Registro Imprese, c/o Camera di Commercio Industria Artigianato, Piazza Borsa n. 3/b 31100 – Treviso, Italy.

13. Related party transactions

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning related parties.