

Quadrant Ventures Management Services Limited

FINANCIAL STATEMENTS

for the year ended

31 December 2012

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30/09/2013

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COMPANIES HOUSE

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
Portland
25 High Street
Crawley
West Sussex
RH10 1BG

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 2012

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

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

24/9/13

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 14. 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 Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

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 2012 and of its loss 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

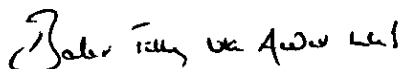
Opinion on other matter prescribed by the Companies Act 2006

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.



JONATHAN ERICSON (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Portland

25 High Street

Crawley

West Sussex RH10 1BG

30/9/13

Quadrant Ventures Management Services Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2012

	Notes	2012 £	2011 £
TURNOVER		–	103,437
Administrative expenses		(898,597)	(3,142,595)
Other operating income	1	637,830	590,586
OPERATING LOSS	2	(260,767)	(2,448,572)
Attributable to			
Operating profit before exceptional items		86,096	109,131
Exceptional items	2	(346,863)	(2,557,703)
		(260,767)	(2,448,572)
Profit on disposal of discontinued operations		–	9,600,576
		(260,767)	7,152,004
Income from shares in group undertakings	4	–	590,109
Interest receivable	5	45,205	44,921
Amounts written off investments	6	–	(10,101)
		(215,562)	7,776,933
Interest payable and similar charges		(2,733)	(3,262)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(218,295)	7,773,671
Taxation	7	(49,230)	(67,983)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	17	(267,525)	7,705,688

Quadrant Ventures Management Services Limited

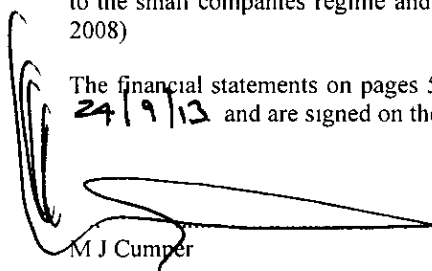
BALANCE SHEET

31 December 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Tangible assets	9	600,000	1,100,000
Investments	10	1	102
		<u>600,001</u>	<u>1,100,102</u>
CURRENT ASSETS			
Debtors	11	776,432	857,265
Cash at bank and in hand		303,433	—
		<u>1,079,865</u>	<u>857,265</u>
CREDITORS			
Amounts falling due within one year	13	(997,925)	(1,007,901)
NET CURRENT ASSETS/(LIABILITIES)		<u>81,940</u>	<u>(150,636)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>681,941</u>	<u>949,466</u>
CAPITAL AND RESERVES			
Called up share capital	16	360,400	360,400
Profit and loss account	17	321,541	589,066
SHAREHOLDER'S FUNDS		<u>681,941</u>	<u>949,466</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 14 were approved by the board of directors and authorised for issue on 24/9/13 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, 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 derived from the provision of goods, recognised on despatch, and services to third parties which fall within the company's ordinary activities, stated net of value added tax

FIXED ASSETS

All fixed assets are initially recorded at cost

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

INVESTMENT PROPERTIES

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year

This is in accordance with the FRSSE which, unlike the Companies Act, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view

Quadrant Ventures Management Services Limited

ACCOUNTING POLICIES

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 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 2012

1 OTHER OPERATING INCOME

	2012	2011
	£	£
Rent receivable	<u>637,830</u>	<u>590,586</u>

2 OPERATING LOSS

Operating loss is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation of owned fixed assets	42,327	55,248
Impairment of owned fixed assets	457,673	1,292,942
Auditor's fees	2,000	2,000
Net profit on foreign currency translation	(1,773)	(45,756)
(Reversal of)/ provision against group debt	<u>(110,810)</u>	<u>1,264,761</u>

3 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2012	2011
	£	£
Aggregate remuneration	<u>—</u>	<u>79,660</u>

4 INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2012	2011
	£	£
Income from group undertakings	<u>—</u>	<u>590,109</u>

5 INTEREST RECEIVABLE

	2012	2011
	£	£
Bank interest receivable	757	8,314
HMRC interest	—	757
Interest from group undertakings	<u>44,448</u>	<u>35,850</u>
	<u>45,205</u>	<u>44,921</u>

6 AMOUNTS WRITTEN OFF INVESTMENTS

	2012	2011
	£	£
Amount written off investments	<u>—</u>	<u>10,101</u>

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2012

7 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012 £	2011 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 24% (2011 - 26%)	29,473	24,600
Over/under provision in prior year	2,757	817
Total current tax	32,230	25,417
Deferred tax		
Origination and reversal of timing differences	17,000	42,566
Total deferred tax (note 12)	17,000	42,566
Tax on (loss)/profit on ordinary activities	49,230	67,983

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 24% (2011 - 26%), as explained below

	2012 £	2011 £
(Loss)/profit on ordinary activities before taxation	(218,295)	7,773,671
(Loss)/profit on ordinary activities by rate of tax	(52,391)	2,021,154
Effects of		
Expenses not deductible for tax purposes	14,600	14,088
Capital allowances for period in excess of depreciation	(8,966)	(17,668)
Tax chargeable at lower rates	(7,018)	(608)
Adjustments to tax charge in respect of previous periods	2,757	817
Group income not taxable	(26,594)	(2,310,443)
Other short term timing differences	-	(18,088)
Impairment of fixed assets not allowable	109,842	336,165
Total current tax (note 7(a))	32,230	25,417

8 DIVIDENDS

Equity dividends

	2012 £	2011 £
Dividends on equity shares £- (2011 £24 97)	-	9,000,000

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2012

9 TANGIBLE FIXED ASSETS

	Long leasehold property £	Investment property £	Total £
Cost			
At 1 January 2012 and 31 December 2012	<u>155,000</u>	<u>3,282,910</u>	<u>3,437,910</u>
Depreciation			
At 1 January 2012	120,575	2,217,335	2,337,910
Charge for the year	2,487	39,840	42,327
Impairment for the year	–	457,673	457,673
At 31 December 2012	<u>123,062</u>	<u>2,714,848</u>	<u>2,837,910</u>
Net book value			
At 31 December 2012	<u>31,938</u>	<u>568,062</u>	<u>600,000</u>
At 31 December 2011	<u>34,425</u>	<u>1,065,575</u>	<u>1,100,000</u>

The assets noted above are leased out to both external and group companies

At 31 December 2012 the investment properties were valued by the directors at £568,062 on the basis of open market value considered by reference to expected sale proceeds

10 INVESTMENTS

	Shares in group companies £
Cost	
Balance brought forward	10,203
Disposals	(10,156)
Balance carried forward	<u>47</u>
Amounts provided	
Balance brought forward	10,101
Disposals	(10,055)
Balance carried forward	<u>46</u>
Net book value	
Balance carried forward	<u>1</u>
Balance brought forward	<u>102</u>

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2012

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
Designplan Lighting Inc	USA	Ordinary	25%	Design, manufacture and sale of lighting fittings

The investment in the following companies was disposed during the year at their written down value

Aether Lighting Limited	England	Ordinary	100%	Design and manufacture of architectural lighting
One 2 See Signs Limited	England	Ordinary	57.5%	Illuminated road signs

11 DEBTORS

	2012 £	2011 £
Amounts owed by group undertakings	63,314	79,740
Corporation tax repayable	—	47,655
VAT recoverable	11	4,465
Other debtors	662,160	657,458
Deferred taxation (note 12)	50,947	67,947
	<u>776,432</u>	<u>857,265</u>

12 DEFERRED TAXATION

The deferred taxation included in the balance sheet is as follows

	2012 £	2011 £
Included in debtors (note 11)	<u>50,947</u>	<u>67,947</u>

The movement in the deferred taxation account during the year was

	2012 £	2011 £
Balance brought forward	67,947	210,529
Transferred to parent company	—	(100,016)
Profit and loss account movement arising during the year	(17,000)	(42,566)
Balance carried forward	<u>50,947</u>	<u>67,947</u>

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

	2012 £	2011 £
Excess of depreciation over taxation allowances	<u>50,947</u>	<u>67,947</u>
	<u>50,947</u>	<u>67,947</u>

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2012

13 CREDITORS Amounts falling due within one year

	2012	2011
	£	£
Bank overdrafts	—	177,043
Trade creditors	—	123
Amounts owed to group undertakings	874,336	700,436
Corporation tax	29,473	—
Other creditors	94,116	130,299
	<u>997,925</u>	<u>1,007,901</u>

14 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
Aether Lighting Limited
One 2 See Signs Limited
Steelplan Kitchens Limited

The advances at 31 December 2012 totalled £106,642 (2011 £65,965)

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 £34,994 (2011 £20,153)

15 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 an associate company as a result of the company acquiring 75% of INC during the prior 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 made a provision against this debt totalling £1,260,480 in 2011 and in the current year released £110,810 of this provision as the company received money from INC. During the year INC paid interest to the company of £44,488 (2011 £26,830).

One 2 See Signs Limited ("One 2 See") was a 57.5% owned subsidiary of the company up until the investment was transferred to Quadrant Ventures Limited during the year. At the balance sheet date One 2 See owed Quadrant Ventures Management Services Ltd (Management) £610,640 (2011 £613,640). A provision of £610,000 has been made against this balance (2011 £610,000).

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

Quadrant Ventures Management Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2012

16 SHARE CAPITAL

	2012 £	2011 £
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.

17 PROFIT AND LOSS ACCOUNT

	2012 £	2011 £
At the beginning of the year	589,066	1,883,378
(Loss)/profit for the financial year	(267,525)	7,705,688
Dividends	—	(9,000,000)
At the end of the year	<u>321,541</u>	<u>589,066</u>

18 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.

19 OPERATING LEASES

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31 December 2012:

	2012 Land & Buildings £	2011 Land & Buildings £
After 5 years	<u>156,180</u>	<u>156,180</u>