

GLOBAL MSI Plc

REPORTS AND FINANCIAL STATEMENTS

For the year ended 3 May 2008

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COMPANIES HOUSE

Company Registration Number 2849288

GLOBAL MSI Plc

INDEX TO ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

	Pages
Directors and officers	1
Director's report	2 – 3
Director's responsibilities	4
Independent auditors' report	5
Consolidated profit and loss account	6
Consolidated statement of recognised gains and losses	7
Consolidated and company balance sheet	8
Consolidated cash flow statement	9
Accounting policies	10 – 11
Notes to the financial statements	12 – 23

DIRECTORS AND OFFICERS

DIRECTORS

M J Bell
I L Donald
T L Donald
T Fernley
M G Froud
M P A O'Connell
D Pyle
M Steggles

SECRETARY

T Fernley

REGISTERED OFFICE

Carr Hill
Balby
Doncaster
DN4 8DH

AUDITORS

Baker Tilly UK Audit LLP
Garrick House
76-80 High Street
Old Fletton
Peterborough
PE2 8ST

DIRECTOR'S REPORT

The directors present their report and financial statements of GLOBAL MSI Plc for the year ended 3 May 2008

PRINCIPAL ACTIVITIES

The principal activity of the group during the year was that of the design, fabrication and erection of petrol station canopies and infrastructure products

BUSINESS REVIEW

For the year ended 3 May 2008 profit before taxation of £1,788,126 (2007 - £1,321,224) was achieved on sales of £17,045,863 (2007 - £14,237,259) Cash at bank and in hand increased by £267,505 from £1,281,795 to £1,549,300

The group continues to build on its recognised international market strengths as a leading designer, manufacturer and installer of petrol station canopies and associated infrastructure products

PRINCIPAL RISKS AND UNCERTAINTIES

The key business risks affecting the company are a reduction in the size of the market and a reduction in our share of it

Continued efforts have been made to ensure that efficiency in production for, and service to, our customers is maximised in order to maintain our market position

We remain committed to developing the strength of our business by meeting the needs of our customers

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the directors are of the opinion that analysis using other KPI's is not necessary for an understanding of the development, performance or position of the business

SUBSTANTIAL SHAREHOLDERS

The company's shareholders are Portman International Securities Limited and MS International Plc which each own 50% of the issued ordinary share capital of the company Each of the shareholders is entitled to appoint half of the Board Certain directors of the company have interests in the shares of the respective joint parent undertakings These are disclosed in those companies' accounts

EVENTS SINCE THE END OF THE YEAR

There have been no events since the balance sheet date which materially affect the position of the group

RESULTS AND DIVIDENDS

The consolidated profit and loss account for the year is set out on page 6

The trading profit of the group for the year after taxation was £1,280,369

The directors have paid an ordinary interim dividend amounting to £1,000,000 (2007 - £Nil) and they do not recommend payment of a final dividend

DIRECTOR'S REPORT (CONTINUED)

DIRECTORS

The following directors have held office since 29 April 2007

I L Donald
M J Bell
T Fernley
M G Froud
M P A O'Connell
D Pyle
T L Donald
M Steggles
A C G Galanis (Resigned on 24 July 2007)

DIRECTORS' INTERESTS IN SHARES

No director has any interest in the ordinary shares of the company nor in the shares of any of the subsidiary companies
No director has been granted the right to acquire shares in the company or any of its subsidiary companies

CHARITABLE DONATIONS

	2008	2007
	£	£
During the year the group made the following payments		
Charitable donations	<u>2,000</u>	<u>2,090</u>

CREDIT PAYMENT POLICY

The company's current policy concerning the payment of trade creditors is to

- settle the terms of payment with suppliers when agreeing the terms of each transaction,
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts, and
- pay in accordance with the company's contractual and other legal obligations

On average, trade creditors at the year end represented 66 days (2007 80 days) purchases

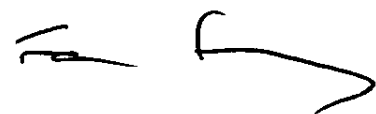
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 auditors are 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

AUDITORS

A resolution to reappoint Baker Tilly UK Audit LLP, Chartered Accountants will be put to the members at the annual general meeting

On behalf of the board



Date 11 July 2008

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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 state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- d 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT

Independent auditor's report to the members of GLOBAL MSI Plc

We have audited the financial statements on pages 6 to 23

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 Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's and the group'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 United Kingdom Generally Accepted Accounting Practice, of the state of the company and group's affairs as at 3 May 2008 and of its profit for the year then ended and 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.

Baker Tilly UK Audit LLP
BAKER TILLY UK AUDIT LLP

Registered Auditor
Chartered Accountants
Garrick House
76-80 High Street
Old Fletton
Peterborough, PE2 8ST

Date 18 September 2008

CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the year ended 3 May 2008

	<i>Notes</i>	2008 £	2007 £
TURNOVER	1	17,045,863	14,237,259
Cost of sales		<u>12,118,123</u>	<u>10,699,712</u>
Gross profit		4,927,740	3,537,547
Other operating expenses (net)	2	<u>3,199,847</u>	<u>2,250,839</u>
OPERATING PROFIT		1,727,893	1,286,708
Interest receivable and similar income	3	<u>60,304</u>	<u>34,571</u>
		1,788,197	1,321,279
Interest payable and similar charges	4	<u>71</u>	<u>55</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	1,788,126	1,321,224
Taxation	7	<u>507,757</u>	<u>426,102</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	18	<u>1,280,369</u>	<u>895,122</u>

The operating profit for the year arises from the group's continuing operations

CONSOLIDATED STATEMENT OF RECOGNISED GAINS AND LOSSES
For the year ended 3 May 2008

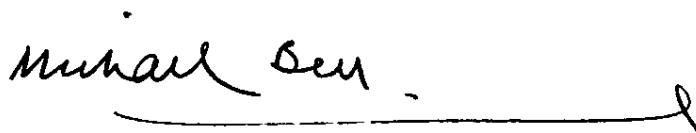
	<i>Notes</i>	2008 £	2007 £
Profit for the financial year		1,280,369	895,122
Currency translation differences on foreign currency net investments	19	<u>108,545</u>	<u>988</u>
Total gains and losses recognised since last financial statements		<u>1,388,914</u>	<u>896,110</u>

CONSOLIDATED AND COMPANY BALANCE SHEET
At 3 May 2008

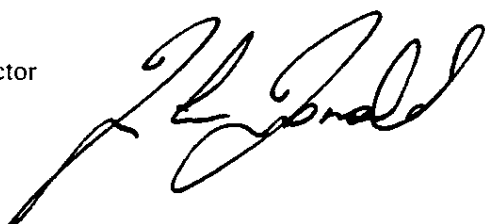
	Notes	2008 Group £	2007 Group £	2008 Company £	2007 Company £
FIXED ASSETS					
Intangible fixed assets	10	-	-	-	-
Tangible fixed assets	11	1,075,552	1,168,929	903,385	1,026,179
Investments	12	-	-	31,726	31,726
		<u>1,075,552</u>	<u>1,168,929</u>	<u>935,111</u>	<u>1,057,905</u>
CURRENT ASSETS					
Stocks	13	857,828	816,728	709,949	632,055
Debtors	14	3,590,672	3,351,637	3,312,566	3,054,762
Cash at bank and in hand		<u>1,549,300</u>	<u>1,281,795</u>	<u>611,454</u>	<u>711,709</u>
		5,997,800	5,450,160	4,633,969	4,398,526
CREDITORS					
Amounts falling due within one year	15	<u>(3,734,189)</u>	<u>(3,668,840)</u>	<u>(2,948,546)</u>	<u>(3,128,538)</u>
NET CURRENT ASSETS		<u>2,263,611</u>	<u>1,781,320</u>	<u>1,685,423</u>	<u>1,269,988</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>3,339,163</u>	<u>2,950,249</u>	<u>2,620,534</u>	<u>2,327,893</u>
PROVISION FOR LIABILITIES AND CHARGES					
	16	<u>(46,024)</u>	<u>(46,024)</u>	<u>(46,024)</u>	<u>(46,024)</u>
NET ASSETS		<u>3,293,139</u>	<u>2,904,225</u>	<u>2,574,510</u>	<u>2,281,869</u>
CAPITAL AND RESERVES					
Called up share capital	17	100,000	100,000	100,000	100,000
Profit and loss account	18	<u>3,193,139</u>	<u>2,804,225</u>	<u>2,474,510</u>	<u>2,181,869</u>
SHAREHOLDERS' FUNDS	19	<u>3,293,139</u>	<u>2,904,225</u>	<u>2,574,510</u>	<u>2,281,869</u>

Approved by the board on 11 July 2008 and authorised for issue on 11 July 2008, and are signed on its behalf by

Director



Director



CONSOLIDATED CASH FLOW STATEMENT
For the year ended 3 May 2008

	<i>Notes</i>	2008 £	2007 £
Net cash inflow from operating activities	20	2,055,993	859,196
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		60,304	34,571
Interest paid		<u>(71)</u>	<u>(55)</u>
Net cash inflow from returns on investment and servicing of finance		60,233	34,516
TAXATION		(609,163)	(333,832)
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(245,058)	(727,988)
Receipts from sales of tangible fixed assets		<u>5,500</u>	<u>16,921</u>
Net cash outflow from capital expenditure		(239,558)	(711,067)
EQUITY DIVIDENDS PAID		<u>(1,000,000)</u>	<u>-</u>
INCREASE/(DECREASE) IN CASH IN THE YEAR		<u>267,505</u>	<u>(151,187)</u>

ACCOUNTING POLICIES

For the year ended 3 May 2008

BASIS OF ACCOUNTING

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

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the results of the parent company and all of its subsidiary undertakings as at 3 May 2008 using the acquisition accounting. Where the acquisition method is used, the results of subsidiary undertakings are included from the date of acquisition. Intra group turnover and results are eliminated on consolidation and all turnover and results relate to external transactions only.

GOODWILL

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life of 5 years. Impairment tests on the carrying value of the goodwill are undertaken.

- At the end of the first full financial year following acquisition, and
- In the other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

TURNOVER

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales and, in the case of long term contracts, credit is taken appropriate to the stage of completion when the outcome of the contract can be assessed with reasonable certainty.

DEPRECIATION

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Leasehold improvements	- 5 years straight line
Plant and machinery	- 5-8 years straight line
Computer equipment	- 3 years straight line
Fixtures, fittings and equipment	- 5 years straight line
Motor vehicles	- 3 years straight line

INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

STOCK

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost is based on the cost of purchases on a first in, first out basis and in the case of work in progress includes an appropriate proportion of production overheads. Net realisable value is based on estimated selling price less further costs to completion and disposal.

ACCOUNTING POLICIES (continued)

For year ended 3 May 2008

LONG TERM CONTRACTS

Long term contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract, and credit taken for profit earned to date when the outcome of the contract can be assessed with reasonable certainty. The amount by which turnover exceeds payments on account is classified as "amounts recoverable on contracts" and included in debtors, to the extent that payments on account exceed relevant turnover, the excess is included as a creditor. The amount of long term contracts, at cost net of amounts transferred to cost of sales, less provision for foreseeable losses and payments on account not matched with turnover, is included within stocks.

DEFERRED TAXATION

Deferred taxation 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. Deferred tax is measured at the average tax rates that are expected to apply in periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

LEASED ASSETS

The annual rentals on operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease.

PENSION CONTRIBUTIONS

The pension costs charged in the financial statements represent the contributions payable by the group during the year.

FOREIGN CURRENCY TRANSLATION

Foreign currency transactions of individual companies are translated at the rates ruling when occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

The results of overseas operations are translated at the average rates of exchange during the year and their balance sheets translated into sterling at the rate of exchange ruling on the balance sheet date. Exchange differences which arise from translation of the opening net assets and results of foreign subsidiary undertakings and from translating the profit and loss account at an average rate are taken to reserves.

All other differences are taken to the profit and loss account with the exception of differences on foreign currency borrowings which, to the extent that they are used to finance or provide a hedge against foreign equity investments, are taken directly to reserves to the extent of the exchange difference arising on the net investment in these enterprises. Tax charges or credits that are directly and solely attributable to such exchange differences are also taken to reserves.

FOREIGN CURRENCY CONTRACTS

Gains arising on speculative forward contracts are not recognised in the profit and loss until the exercise date, with foreseen currency losses being recognised immediately.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The group's turnover and profit before taxation were all derived from its principal activity

No geographical analysis of turnover, operating profit and net assets has been provided because in the opinion of the directors such disclosure would be seriously prejudicial to the interests of the group

2 OTHER OPERATING EXPENSES (NET)

	2008 £	2007 £
Administrative expenses	2,583,503	1,604,457
Distribution costs	649,958	623,006
Loss/(profit) on foreign exchange transactions	(33,614)	23,376
	<u>3,199,847</u>	<u>2,250,839</u>

3 INTEREST RECEIVABLE AND SIMILAR INCOME

	2008 £	2007 £
Bank interest	<u>60,304</u>	<u>34,571</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £	2007 £
On bank loans and overdrafts	<u>71</u>	<u>55</u>

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging/(crediting)

	2008 £	2007 £
Depreciation of tangible assets		
Charge for the year		
Owned assets	376,265	291,614
Profit on disposals	(5,500)	(13,745)
Operating lease rentals		
Plant and machinery	3,931	7,609
(Gain)/Loss on foreign exchange transactions	(33,614)	23,376
Auditors' remuneration		
Audit Services – Statutory audit	18,500	14,940
Tax services – Compliance services	<u>4,900</u>	<u>2,566</u>

The audit fee for the company amounted to £15,500 (2007 £14,940)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

6 EMPLOYEES

The average monthly number of persons (including directors) employed by the group during the year was

	2008 No	2007 No
Production	83	82
Technical	39	37
Distribution and selling	3	3
Administration	9	8
	<u>134</u>	<u>130</u>

Staff costs for the above persons

	2008 £	2007 £
Wages and salaries	3,836,911	3,402,770
Social security costs	409,912	349,372
Other pension costs	101,821	114,088
	<u>4,348,644</u>	<u>3,866,230</u>

DIRECTORS' REMUNERATION

	2008 £	2007 £
In respect of the directors		
Emoluments for qualifying services	284,896	306,882
Company pension contributions to the group personal schemes	65,534	81,055
	<u>350,430</u>	<u>387,937</u>

Emoluments disclosed above include the following amounts paid to the highest paid director

	2008 £	2007 £
Emoluments for qualifying services	100,693	74,630
Company pension contributions to group personal schemes	<u>55,111</u>	<u>68,567</u>

There were 3 directors (2007: 3) in the company's group personal pension scheme during the year. 1 director (2007: 1) was in the group personal pension scheme of MS International Plc during the year.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

7 TAXATION

	2008 £	2007 £
Current tax		
UK corporation tax on profits of the period	400,929	317,565
Adjustment in respect of previous periods	-	-
Foreign corporation tax	106,828	62,513
Total current tax	<u>507,757</u>	<u>380,078</u>
Deferred tax		
Deferred taxation on profits of the period	-	48,160
Adjustment in respect of previous periods	-	(2,136)
Total deferred tax	<u>-</u>	<u>46,024</u>
Tax on ordinary activities	<u>507,757</u>	<u>426,102</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>1,788,126</u>	<u>1,321,224</u>
Profit on ordinary activities before taxation multiplied by the following rate of UK corporation tax of 30% (2007 30%)	<u>536,438</u>	<u>396,367</u>
Effects of		
Non deductible expenses	16,831	16,775
Capital allowances less than / (in excess of) depreciation	15,889	(41,256)
Other short term timing differences	(895)	(6,904)
Foreign tax adjustment	(22,595)	-
Adjustment for prior years	-	-
Other tax adjustments	(37,911)	15,096
	<u>(28,681)</u>	<u>(16,289)</u>
Current tax charge	<u>507,757</u>	<u>380,078</u>

8 PROFIT FOR THE FINANCIAL YEAR

As permitted by Section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The parent's profit for the financial period is £1,292,641 (2007 profit £934,352)

9 DIVIDENDS

	2008 £	2007 £
Ordinary		
Interim paid – £10.00 (2007 £nil) per share	<u>1,000,000</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

10 INTANGIBLE FIXED ASSETS

Group

	Other intangible assets £	Goodwill £	Total £
Cost			
At 29 April 2007 and 3 May 2008	10,000	373,411	383,411
Amortisation			
At 29 April 2007 and 3 May 2008	10,000	373,411	383,411
Net book value			
At 3 May 2008	-	-	-
At 28 April 2007	-	-	-

Company

	Other intangible assets £	Goodwill £	Total £
Cost			
At 29 April 2007 and 3 May 2008	10,000	372,411	382,411
Amortisation			
At 29 April 2007 and 3 May 2008	10,000	372,411	382,411
Net book value			
At 3 May 2008	-	-	-
At 28 April 2007	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

11 TANGIBLE FIXED ASSETS

Group

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 29 April 2007	222,729	1,591,764	662,602	2,477,095
Additions	30,086	103,580	111,392	245,058
Exchange rate movements	-	39,254	40,284	79,538
Disposals	-	(52,082)	(66,800)	(118,882)
At 3 May 2008	252,815	1,682,516	747,478	2,682,809
Depreciation				
At 29 April 2007	112,597	821,786	373,783	1,308,166
Charge for year	22,786	194,751	158,728	376,265
Exchange rate movements	-	24,872	16,836	41,708
Disposals	-	(52,082)	(66,800)	(118,882)
At 3 May 2008	135,383	989,327	482,547	1,607,257
Net book value				
At 3 May 2008	117,432	693,189	264,931	1,075,552
At 28 April 2007	110,132	769,978	288,819	1,168,929

Company

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 29 April 2007	222,729	1,443,639	510,591	2,176,959
Additions	30,086	92,811	48,737	171,634
Disposals	-	(52,082)	(66,800)	(118,882)
At 3 May 2008	252,815	1,484,368	492,528	2,229,711
Depreciation				
At 29 April 2007	112,597	727,929	310,254	1,150,780
Charge for year	22,786	153,679	117,963	294,428
Disposals	-	(52,082)	(66,800)	(118,882)
At 3 May 2008	135,383	829,526	361,417	1,326,326
Net book value				
At 3 May 2008	117,432	654,842	131,111	903,385
At 28 April 2007	110,132	715,710	200,337	1,026,179

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

12 FIXED ASSET INVESTMENTS

Company

Cost
At 29 April 2007 & 3 May
2008

Shares in
group
undertakings
£

31,726

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%	Nature of business
Subsidiary undertakings				
Conder Limited	England	Ordinary	100	Dormant
GLOBAL MSI Espana sa	Spain	Ordinary	100	Dormant
GLOBAL MSI (Overseas) Limited	England	Ordinary	100	Intermediate holding company
GLOBAL MSI Sp zoo	Poland	Ordinary (Indirect)	100	Installation of canopies

For all undertakings listed above, the country of operation is the same as its country of incorporation or registration

13 STOCKS

	Group 2008 £	Group 2007 £	Company 2008 £	Company 2007 £
Raw materials and consumables	534,999	323,378	427,188	220,522
Long term contracts				
At net cost less foreseeable losses	1,040,521	1,075,588	432,305	759,588
Payments received on account	(717,692)	(582,238)	(149,544)	(348,055)
	<u>322,829</u>	<u>493,350</u>	<u>282,761</u>	<u>411,533</u>
	<u>857,828</u>	<u>816,728</u>	<u>709,949</u>	<u>632,055</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

14 DEBTORS

	Group 2008 £	Group 2007 £	Company 2008 £	Company 2007 £
Due within one year				
Trade debtors	3,325,846	2,990,981	2,918,883	2,718,679
Amounts owed by group undertakings	-	-	161,811	-
Amounts owed by associated undertakings	8,405	271,334	8,405	271,334
Other debtors	13,886	22,418	13,658	18,126
Foreign corporation tax	-	4,380	-	-
Prepayments and accrued income	76,869	62,524	56,114	46,623
Amounts recoverable on contracts	165,666	-	153,695	-
	<u>3,590,672</u>	<u>3,351,637</u>	<u>3,312,566</u>	<u>3,054,762</u>

15 CREDITORS FALLING DUE WITHIN ONE YEAR

	Group 2008 £	Group 2007 £	Company 2008 £	Company 2007 £
Payments received on account	751,331	664,278	371,064	347,104
Trade creditors	1,893,333	1,796,968	1,424,462	1,532,735
Amounts owed to group undertakings	-	-	74,178	65,023
Amounts owed to associated undertakings	14,984	12,455	14,984	12,455
UK corporation tax	211,779	317,565	211,716	297,465
Other creditors	80,118	100,069	64,722	94,685
Other tax and social security	271,805	347,304	306,415	366,100
Accruals and deferred income	510,839	430,201	481,005	412,971
	<u>3,734,189</u>	<u>3,668,840</u>	<u>2,948,546</u>	<u>3,128,538</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

16 PROVISIONS FOR LIABILITIES AND CHARGES

Group and company

	Deferred taxation £	Total £
As at 29 April 2007	46,024	46,024
Charged to profit and loss account	-	-
Balance at 3 May 2008	<u>46,024</u>	<u>46,024</u>
Provision for deferred tax has been made as follows		
	2008 £	2007 £
Provision for deferred tax has been made as follows		
Excess of tax allowances	51,236	51,236
Other timing differences	<u>(5,212)</u>	<u>(5,212)</u>
	<u>46,024</u>	<u>46,024</u>

17 SHARE CAPITAL

	2008 £	2007 £
Authorised		
50,000 Ordinary 'A' shares of £1 each	50,000	50,000
50,000 Ordinary 'B' shares of £1 each	<u>50,000</u>	<u>50,000</u>
	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid		
50,000 Ordinary 'A' shares of £1 each	50,000	50,000
50,000 Ordinary 'B' shares of £1 each	<u>50,000</u>	<u>50,000</u>
	<u>100,000</u>	<u>100,000</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

18 STATEMENT OF MOVEMENT ON RESERVES

Group

	Profit and loss account £
As at 29 April 2007	2,804,225
Profit for the financial year	1,280,369
Dividends (see note 9)	(1,000,000)
Foreign currency translation differences	108,545
As at 3 May 2008	<u>3,193,139</u>

Company

	Profit and loss account £
As at 29 April 2007	2,181,869
Profit for the financial year	1,292,641
Dividends (see note 9)	(1,000,000)
As at 3 May 2008	<u>2,474,510</u>

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2008 £	2007 £
Profit for the financial year	1,280,369	895,122
Dividends (see note 9)	(1,000,000)	-
	<u>280,369</u>	<u>895,122</u>
Other recognised gains and losses	108,545	988
Net addition to shareholders' funds	<u>388,914</u>	<u>896,110</u>
Opening shareholders' funds	2,904,225	2,008,115
Closing shareholders' funds	<u>3,293,139</u>	<u>2,904,225</u>

Company

	2008 £	2007 £
Profit for the financial year	1,292,641	934,352
Dividends (see note 9)	(1,000,000)	-
Net addition to shareholders' funds	<u>292,641</u>	<u>934,352</u>
Opening shareholders' funds	2,281,869	1,347,517
Closing shareholders' funds	<u>2,574,510</u>	<u>2,281,869</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

20 CASH FLOWS

a	Reconciliation of operating profit to net cash inflow from operating activities	2008 £	2007 £
	Operating profit	1,727,893	1,286,708
	Depreciation of tangible assets	376,265	291,614
	Profit on disposal of fixed assets	(5,500)	(13,745)
	Increase in stocks	(41,100)	(264,003)
	Increase in debtors	(243,415)	(1,531,567)
	Increase in creditors within one year	171,135	1,090,098
	Net effect of foreign exchange differences	70,715	91
	Net cash inflow from operating activities	<u>2,055,993</u>	<u>859,196</u>
b	Analysis of net debt	29 April 2007 £	3 May 2008 £
	Net cash		
	Cash at bank and in hand	<u>1,281,795</u>	<u>1,549,300</u>
		<u>1,281,795</u>	<u>1,549,300</u>
c	Reconciliation of net cash flow to movement in net debt	2008 £	2007 £
	Increase/(Decrease) in cash in the year	<u>267,505</u>	<u>(151,187)</u>
	Movement in net funds in the year	<u>267,505</u>	<u>(151,187)</u>
	Opening net funds	<u>1,281,795</u>	<u>1,432,982</u>
	Closing net funds	<u>1,549,300</u>	<u>1,281,795</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

21 CAPITAL COMMITMENTS

	Group 2008 £	Group 2007 £	Company 2008 £	Company 2007 £
Capital expenditure contracted for but not provided in the financial statements	<u>28,517</u>	<u>47,550</u>	<u>28,517</u>	<u>47,550</u>

22 COMMITMENTS UNDER OPERATING LEASES

At 3 May 2008 the group had annual commitments under non-cancellable operating leases as follows

	2008 £	2007 £
Plant and machinery		
Expiring in the first year	-	1,953
Expiring in the second to fifth year	<u>3,931</u>	<u>3,931</u>
	<u>3,931</u>	<u>5,884</u>

23 PENSION COMMITMENTS

Two defined contribution group personal pension schemes are operated on behalf of employees of the company. The assets are held separately from those of the company in independently administered funds. The pension charge represents contributions payable by the group to the funds and amounted to £101,821 (2007 £114,088). There were outstanding contributions at the year end amounting to £11,466 (2007 £4,562).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 3 May 2008

24 RELATED PARTY TRANSACTIONS

Group

The company's shareholders are Portman International Securities Limited and MS International Plc which each own 50% of the ordinary share capital of the company

The following transactions took place during the year between the group and companies in which these shareholders had material interests

Portman International Securities Limited

Sales - £10,392 (2007 £Nil)

Purchase of goods and services - £806,152 (2007 £344,066)

MS International Plc

Sales - £577,792 (2007 £508,928)

Purchases of goods and services £1,116,973 (2007 £735,271)

The following balances relating to the above transactions are included in the consolidated balance sheet at 3 May 2008

Amounts due from associated undertakings £8,405 (2007 £271,334)

Amounts owed to associated undertakings £14,984 (2007 £12,455)