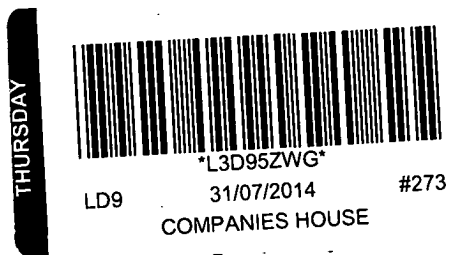


# **Global Graphics (UK) Limited**

**Annual report and financial statements**

**Registered number 02775122**

**31 December 2013**



## Contents

Strategic report	1
Directors' report	2
Statement of directors' responsibilities in respect of the Directors' report and the financial statements	3
Independent auditor's report to the members of Global Graphics (UK) Limited	4
Profit and loss account	6
Balance sheet	7
Reconciliation of movements in shareholders' funds	8
Notes	9

## Strategic report

### Strategy and business model

The principal activity of the Company in the year under review was that of a holding company for certain UK subsidiaries of the international Global Graphics group whose ultimate parent is Global Graphics SE, incorporated in England and Wales.

Through its operating subsidiaries, Global Graphics is a leading developer of software used in printing, publishing, and electronic document systems. An expert in interpreting Page Description Languages, notably PostScript®, the Portable Document Format (PDF), and Microsoft's XPS (XML Paper Specification), Global Graphics has a broad technology portfolio that includes Raster Image Processors (RIPs) that convert text and images into printable form, software for document conversion and manipulation, and components for digital workflow and colour management.

### Business review

The Company did not trade during the year and there are no plans to change the Company from a holding company to a trading company. The results for the year and the financial position of the Company are shown in the profit and loss account and balance sheet on pages 6 and 7 respectively.

#### *Operating expenses & pre-tax result*

The pre-tax result for the year was a loss of £122,877 (2012: profit of £32,522). The reduction in profit is due to:

- Exchange rate losses of £41,282 compared to exchange rate gains of £32,522 in 2012, and
- Intercompany interest expense of £81,595 (2012: £nil).

The exchange rate losses and gains are due to the revaluation of foreign currency denominated intercompany balances at the balance sheet dates.

#### *Reserves and share capital*

During the year the parent company, Global Graphics SE, completed a legal restructuring to transfer its place of registration from France to the UK. As part of that process, the Company processed a capital reduction and declared an interim dividend of £3,000,000 to Global Graphics SE, satisfied in full by reducing the amount owed by Global Graphics SE to the Company. At the same time, the Company received a dividend of £3,000,000 from its subsidiary undertaking, Global Graphics Software Limited, which was satisfied in full by reducing the amount owed by the Company to Global Graphics Software Limited.

### Key performance indicators

The Company does not trade or actively invest, so there are no key performance indicators to monitor other than the operating performance of its trading subsidiary Global Graphics Software Ltd.

### Principal risks and uncertainties

The Company does not trade and does not have any external creditors, so there are no risks and uncertainties to report.

By order of the board

  
Gary Fry  
Director

2030 Cambourne Business Park  
Cambourne, CB23 6DW

24 July 2014

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2013.

The business review and principal risks and uncertainties can be found in the Strategic report.

### Dividends

The directors do not recommend the payment of a dividend (2012: £nil).

### Directors

The directors during the year under review were:

Name	Nationality	
Alain Pronost	French	Resigned 22 November 2013
Johan Volckaerts	Belgian	
Gary Fry	English	

### Political and charitable contributions

The Company made no political or charitable contributions during the year (2012: £nil).

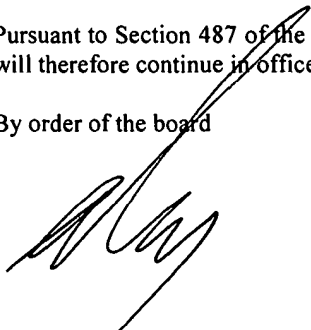
### Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



Gary Fry  
Director

2030 Cambourne Business Park  
Cambourne, CB23 6DW

24 July 2014

## **Statement of directors' responsibilities in respect of the Directors' report and the financial statements**

The directors are responsible for preparing the Strategic report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 these 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 UK 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



## KPMG LLP

Botanic House  
100 Hills Road  
Cambridge  
CB2 1AR  
United Kingdom

### **Independent auditor's report to the members of Global Graphics (UK) Limited**

We have audited the financial statements of Global Graphics (UK) Limited for the year ended 31 December 2013 set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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 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 auditor**

As explained more fully 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 [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **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 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditor's report to the members of Global Graphics (UK) Limited** *(continued)*

### **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.

**Mark Prince**  
**Senior Statutory Auditor**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
Botanic House, 100 Hills Road, Cambridge, CB2 1AR

Date: 24 July 2014

**Profit and loss account**  
*for the year ended 31 December 2013*

	<i>Note</i>	<b>2013</b> £	<b>2012</b> £
Interest receivable and similar income	4	-	32,522
Interest payable and similar charges	5	(122,877)	-
		<hr/>	<hr/>
<b>(Loss)/profit on ordinary activities before taxation</b>	2,3	<b>(122,877)</b>	<b>32,522</b>
Tax on (loss)/profit on ordinary activities	6	-	-
		<hr/>	<hr/>
<b>(Loss)/profit for the financial year</b>	10	<b>(122,877)</b>	<b>32,522</b>
		<hr/>	<hr/>

There are no recognised gains or losses for the current year or preceding year other than those disclosed above.

All income and expenses included in the profit and loss account relate to continuing operations.

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



**Balance sheet**  
*at 31 December 2013*

	<i>Note</i>	<b>£</b>	<b>2013 £</b>	<b>£</b>	<b>2012 £</b>
<b>Fixed assets</b>					
Investments	7		8,673,429		8,673,429
<b>Creditors: amounts falling due within one year</b>	8	(7,441,415)		(7,318,538)	
<b>Net current liabilities</b>			(7,441,415)		(7,318,538)
<b>Net assets</b>			1,232,014		1,354,891
<b>Capital and reserves</b>					
Called up share capital	9		1		37,750,000
Share premium	10		-		12,599
Profit and loss account	10		1,232,013		(36,407,708)
<b>Shareholders' funds</b>			1,232,014		1,354,891

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

These financial statements were approved by the board of directors on 24 July 2014 and were signed on its behalf by:

  
**Gary Fry**  
*Director*

Company registered number: 02775122

**Reconciliation of movements in shareholders' funds**  
*for the year ended 31 December 2013*

	2013 £	2012 £
(Loss)/profit for the financial year	(122,877)	32,522
Net (decrease)/ increase in shareholders' funds	(122,877)	32,522
Opening shareholders' funds	1,354,891	1,322,369
Closing shareholders' funds	1,232,014	1,354,891

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

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

#### *Basis of preparation*

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

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of Global Graphics SE, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group. The consolidated financial statements of Global Graphics SE, within which the Company is included, can be obtained from the address given in note 11.

#### *Going concern*

At 31 December 2013 the Company's balance sheet showed a surplus of current liabilities over current assets. The Company is reliant upon the financial support of both its ultimate parent company and its subsidiary company, via inter-company borrowings totalling £7,441,415 (2012: £7,318,538), which are repayable within one year.

The board of Global Graphics SE, the parent company, has provided the Company with an undertaking that, for at least 12 months from the date of approval, of these financial statements, it will continue to make available such funds as are needed by the Company in order to trade and in particular will not seek repayment of the amounts currently made available. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors of Global Graphics SE, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### *Investments*

Investments held as fixed assets are stated at cost less provision for any estimated impairment in value.

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

## Notes (continued)

### 1 Accounting Policies (continued)

#### Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as required by FRS 19.

### 2 (Loss)/profit on ordinary activities before taxation

	2013 £	2012 £
<i>(Loss)/profit on ordinary activities before taxation is stated after recognising:</i>		
Foreign exchange gains	-	32,522
Foreign exchange losses	(41,282)	-
Intercompany interest charge	(81,595)	-
	<u>          </u>	<u>          </u>

The auditor's remuneration of £1,000 (2012: £1,000) in the current and preceding year was borne by Global Graphics Software Limited, a fellow group undertaking.

### 3 Staff numbers and costs

The average monthly number of employees (excluding directors) during the year was nil (2012: nil).

None of the directors received any remuneration for services provided to the company in both the current and previous years.

### 4 Interest receivable and similar income

	2013 £	2012 £
Foreign exchange gains	-	32,522
	<u>          </u>	<u>          </u>

### 5 Interest payable and similar charges

	2013 £	2012 £
Foreign exchange losses	41,282	-
Intercompany interest charge	81,595	-
	<u>          </u>	<u>          </u>
	122,877	-
	<u>          </u>	<u>          </u>

## Notes (continued)

### 6 Tax on (loss)/profit on ordinary activities

#### Analysis of charge in year

	2013 £	2012 £
<i>UK corporation tax</i>		
Tax on (loss)/profit on ordinary activities	-	-

#### Factors affecting the tax charge for the current year

The tax charge for the year differs from that calculated by applying the standard rate of corporation tax in the UK to the (loss)/profit on ordinary activities before taxation. The differences are as follows:

	2013 £	2012 £
(Loss)/profit on ordinary activities before taxation	(122,877)	32,522
Current tax at 23.25% (2012: 24.5%)	(28,569)	7,968
<i>Effects of:</i>		
Current year tax not recognised (see below)	(28,569)	-
Utilisation of tax losses	-	(7,968)
Current tax charge for the year	-	-

#### Factors that may affect future tax charges

As at 31 December 2013, the Company had tax losses amounting to £412,626 (2012: £289,749) available for offset against future taxable profits (subject to agreement with the tax authorities). In accordance with FRS 19, no deferred tax asset has been recognised for these losses as there is insufficient persuasive and reliable evidence that they will be utilised.

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

## Notes (continued)

### 7 Fixed asset investments

	Global Graphics Software Limited £
<b>Cost</b>	
At beginning and end of year	32,792,453
<b>Provision</b>	
At beginning and end of year	(24,119,024)
<i>Net book value</i>	
<b>At 31 December 2013</b>	<b>8,673,429</b>
At 31 December 2012	8,673,429

The recoverable amount of the investment has been estimated using a value in use calculation based on discounted forecast cash flows. The key data underlying the forecast were as follows:

Discount rate	11.24%
Period over which management have projected cash flows	2014-2023
Average year-on-year growth rate used to extrapolate cash flow projections:	
- Revenue over the years ending 31 December 2015 to 2023	1.8%
- Operating expenses over the years ending 31 December 2015 to 2023	2.5%

The company in which the Company's interest at the year end is more than 20% is as follows:

	Country of incorporation	Class of shares held	Percentage of share holding	Principle activity
<b>Subsidiary undertaking:</b>				
Global Graphics Software Limited	UK	Ordinary	100%	Development and sale of software

### 8 Creditors: amounts falling due within one year

	2013 £	2012 £
Amounts owed to group undertakings	7,441,415	7,318,538

## Notes (continued)

### 9 Called up share capital

	2013 £	2012 £
<i>Allotted, called up and fully paid</i>		
Equity: 1 ordinary share of £1 (2012, 37,750,000 ordinary shares of £1 each)	1	37,750,000

During the year the Company processed a capital reduction as part of a legal restructuring process that the parent company, Global Graphics SE, performed (see note 10).

### 10 Share premium and reserves

	Share premium account £	Profit and loss account £
At beginning of year	12,599	(36,407,708)
Transferred from share capital	-	37,749,999
Transferred to profit and loss	(12,599)	-
Transferred from share premium	-	12,599
Dividend received	-	3,000,000
Dividend paid	-	(3,000,000)
Loss for the year	-	(122,877)
<b>At end of year</b>	<b>-</b>	<b>1,232,013</b>

During the year the parent company, Global Graphics SE, completed a legal restructuring to transfer its place of registration from France to the UK. As part of that process, the Company processed a capital reduction and declared an interim dividend of £3,000,000 to Global Graphics SE, satisfied in full by reducing the amount owed by Global Graphics SE to the Company. At the same time, the Company received a dividend of £3,000,000 from its subsidiary undertaking, Global Graphics Software Limited, which was satisfied in full by reducing the amount owed by the Company to Global Graphics Software Limited.

### 11 Ultimate parent company

The Company is controlled by and is a subsidiary undertaking of Global Graphics SE., incorporated in England and Wales. The only group in which the results of the Company are consolidated is that headed by Global Graphics SE. The consolidated accounts of this group are available to the public and may be obtained from Global Graphics SE, 2030 Cambourne Business Park, Cambourne, Cambridge, CB23 6DW, UK, or from [www.globalgraphics.com](http://www.globalgraphics.com).