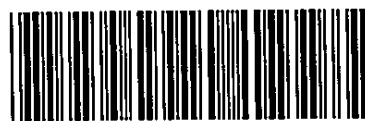


Financial statements P3 Group Europe Limited and its subsidiary undertakings

For the year ended 31 December 2011

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COMPANIES HOUSE

Company No. 973784

Company information

Company registration number: 973784

Registered office: Booth Drive
Park Farm
WELLINGBOROUGH
Northants
NN8 6NL

Directors: Mr G E A Perutz
Mr T P G Perutz
Mr S G A Perutz

Secretary: Mr J D Roberts

Bankers: National Westminster Bank plc
16 High Street
KETTERING
Northants
NN16 8TN

Solicitors: Shoosmiths
The Lakes
NORTHAMPTON
NN4 7SH

Auditor: Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Grant Thornton House
Kettering Parkway
Kettering Venture Park
KETTERING
Northants
NN15 6XR

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Report of the directors

The directors present their report together with the financial statements for the year ended 31 December 2011

Principal activities and business review

The principal activity of the group during the year was the manufacture, installation and rental of exhibition and display systems

On 7 January 2011 P3 Group Europe Limited hived down its trade and assets to its subsidiary undertaking, Nimlok Limited

On 7 January 2011 VU Creative Limited was sold for nominal value

The two predominant Key Performance Indicators are the growth in both turnover and operating profit. As disclosed on page 11, the directors report an increase in turnover of £1.0m to £20.7m (2010 - £19.7m) and an increase in operating profit of £50k to £1.4m (2010 - £1.4m). They are cautiously optimistic that the group will show further improvements in 2012.

Non-financial Key Performance Indicators

Maintaining health and safety standards are seen as a key issue by group management. The group employs a Health, Safety and Environment manager to oversee policy in this area, and the group continues to invest in the health and welfare of its employees.

Environmental factors are considered to be of utmost importance in all group undertakings. All companies in the group have developed formal Environmental Management Systems, complying with ISO14001.

Results and dividends

The profit for the year amounted to £1.0m (2010 - £0.9m). Particulars of dividends paid are detailed in note 5 to the financial statements.

Financial risk management objectives and policies

The group's principal financial instruments comprise cash and various items, such as trade debtors and trade creditors, that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations.

The existence of these financial instruments exposes the company to a number of financial risks. The main risks arising from the group's financial instruments are currency risk, liquidity risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Currency risk

The group is exposed to transaction foreign exchange risk. If considered necessary, transaction exposures, including those associated with forecast transactions, are hedged when known, principally using forward currency contracts. Whilst the aim is to achieve an economic hedge, the group does not adopt an accounting policy of hedge accounting for these financial statements.

Financial risk management objectives and policies (continued)

Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably

Credit risk

The group's principal financial assets are cash and trade debtors

In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history

Directors

The directors who served the company during the year were as follows

Mr G E A Perutz
Mr T P G Perutz
Mr S G A Perutz

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the Directors 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 laws). 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 and profit or loss of the company and group 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
- 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

In so far as each of the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Donations

During the year, donations made by the group for non political purposes in the United Kingdom amounted to £77,300 (2010 - £19,736)

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006

BY ORDER OF THE BOARD

A stylized handwritten signature in black ink, consisting of a large loop and a horizontal stroke.

J D Roberts
Secretary

9 July 2012



Independent auditor's report to the members of P3 Group Europe Limited and its subsidiary undertakings (registered number 973784)

We have audited the financial statements of P3 Group Europe Limited and its subsidiary undertakings for the year ended 31 December 2011 which comprise the principal accounting policies, consolidated profit and loss account, consolidated and parent company balance sheets, consolidated cash flow statement, consolidated statement of total recognised gains and losses and the related notes. The financial reporting framework that 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 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 4, 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 audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2011 and of the group's profit 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.



Independent auditor's report to the members of
P3 Group Europe Limited and its subsidiary undertakings
(registered number 973784)

Opinion on other matters 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

A handwritten signature in black ink that reads "John Corbishley".

John Corbishley
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Kettering

9 July 2012.

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention

A separate profit and loss account for the parent company is not presented with the group financial statements as permitted by section 408 of the Companies Act 2006

Basis of consolidation

The company accounts consolidate the accounts of P3 Group Europe Limited and all of its subsidiary undertakings using the acquisition method. The accounts of all company undertakings are prepared to 31 December 2011. Goodwill arising on consolidation is capitalised and is amortised on a straight line basis over its useful economic life of 10 years.

Joint venture

The group financial statements incorporate the joint venture under the equity method of accounting, supplemented by additional disclosures for joint ventures as required.

The company balance sheet shows the investment in the joint venture at cost.

Going concern

The group continues to generate good levels of cash from operating activities.

The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current financing.

After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover is the revenue arising from the sales of goods and services. It is stated at the fair value of the consideration receivable, net of value added tax, rebates and discounts.

Revenue from the sale of goods is recognised when the significant risks and benefits of ownership of the product have transferred to the buyer, which may be upon shipment, completion of the product or the product being ready for delivery, based on specific contract terms.

Revenue from services provided by the company is recognised when the company has performed its obligations and in exchange obtained the right to consideration.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold property	-	period of lease
Plant and machinery	-	10% - 33%
Motor vehicles	-	33%
Office equipment	-	25% - 50%

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Finance lease agreements

Where the group enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

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.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Group relief

It is the group's normal policy to charge for tax losses surrendered by way of group relief at the rate prevailing at the end of the financial year in respect of which relief is given

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. The financial statements of foreign subsidiaries are translated at the rate of exchange ruling at the balance sheet date. The exchange differences arising from the retranslation of the opening net investment in subsidiaries are taken to reserves. All other exchange differences are dealt with through the profit and loss account.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Investments

Investments are included at cost less amounts written off.

Consolidated profit and loss account

	Note	2011 £	2010 £
Turnover	1	20,683,964	19,660,079
Other operating income		57,769	91,302
Other operating costs			
Raw materials and consumables		8,311,779	7,845,310
Other external charges		1,550,689	322,260
Staff costs		7,049,492	6,793,399
Depreciation written off fixed assets		416,856	374,737
Other operating charges		1,999,049	3,051,671
Operating profit	2	1,413,868	1,364,004
Share of operating profit of joint venture		13,756	-
Interest receivable		11,097	4,572
Interest payable	3	(90,559)	(78,600)
Interest payable – joint venture		(9,000)	-
Profit on ordinary activities before taxation	1	1,339,162	1,289,976
Tax on profit on ordinary activities	6	324,988	418,955
Tax on profit on ordinary activities of joint venture		10,383	-
Profit for the financial year		1,003,791	871,021
Minority interest		149,193	53,099
Profit attributable to the members of the parent company		854,598	817,922

All of the activities of the company in the current year are classed as continuing

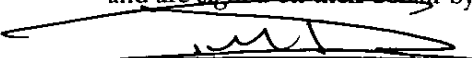
The accompanying accounting policies and notes form part of these financial statements.

Consolidated balance sheet

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	8		750,168		793,704
Investments	9				
Joint venture					
- goodwill		28,125		-	
- share of gross assets		593,920		-	
- share of gross liabilities		(380,797)	241,248	-	-
			<u>991,416</u>		<u>793,704</u>
Current assets					
Stocks	10	3,596,403		1,992,449	
Debtors	11	3,544,686		3,020,170	
Cash at bank and in hand		<u>1,188,931</u>		<u>2,279,736</u>	
		8,330,020		7,292,355	
Creditors: amounts falling due within one year	12	<u>4,207,817</u>		<u>3,385,773</u>	
Net current assets			<u>4,122,203</u>		<u>3,906,582</u>
Total assets less current liabilities			5,113,619		4,700,286
Creditors: amounts falling due after more than one year	13		2,251,481		2,696,259
Minority interest	20		<u>319,675</u>		<u>176,062</u>
			<u>2,542,463</u>		<u>1,827,965</u>
Capital and reserves					
Called up share capital	17		107,928		109,344
Share premium account	18		203,652		203,652
Other reserves	19		33,016		31,600
Profit and loss account	19		<u>2,197,867</u>		<u>1,483,369</u>
Shareholders' funds	21		<u>2,542,463</u>		<u>1,827,965</u>

These financial statements were approved by the directors and authorised for issue on
and are signed on their behalf by

9/7/12


T P G Perutz
Director
Company registration number 973784


The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	8		-		253,280
Investments	9		<u>1,577,402</u>		<u>52,912</u>
			1,577,402		306,192
Current assets					
Stocks	10	-		538,688	
Debtors	11	<u>164,006</u>		<u>1,035,669</u>	
Cash at bank and in hand		<u>270,005</u>		<u>1,021,536</u>	
		434,011		2,595,893	
Creditors: amounts falling due within one year	12	<u>478,449</u>		<u>1,213,539</u>	
Net current (liabilities)/ assets			<u>(44,438)</u>		<u>1,382,354</u>
Total assets less current liabilities			1,532,964		1,688,546
Creditors: amounts falling due after more than one year	13		<u>1,000,000</u>		<u>1,111,055</u>
			<u>532,964</u>		<u>577,491</u>
Capital and reserves					
Called up share capital	17		107,928		109,344
Share premium account	18		203,652		203,652
Other reserves	19		33,016		31,600
Profit and loss account	19		<u>188,368</u>		<u>232,895</u>
Shareholders' funds	21		<u>532,964</u>		<u>577,491</u>

These financial statements were approved by the directors and authorised for issue on and are signed on their behalf by

9/7/12



T P G Perutz
 Director

Company registration number 973784

The accompanying accounting policies and notes form part of these financial statements.

Consolidated cash flow statement

	Note	2011 £	2010 £
Net cash inflow from operating activities	22	606,196	2,122,210
Returns on investments and servicing of finance			
Interest received		11,097	4,572
Interest paid		(38,332)	(10,579)
Finance lease interest paid		(13,137)	(13,859)
Dividend paid to minority interest		(30,000)	(50,000)
Net cash outflow from returns on investments and servicing of finance		<u>(70,372)</u>	<u>(69,866)</u>
Taxation		(384,979)	(293,785)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		<u>(323,168)</u>	<u>(160,791)</u>
Net cash outflow from capital expenditure and financial investment		<u>(323,168)</u>	<u>(160,791)</u>
Acquisitions and disposals			
Investment in joint venture		(250,000)	-
Equity dividends paid		-	(450,000)
Financing			
Issue of shares to minority interest in subsidiary		-	10,000
(Repayment)/receipt of bank borrowings		(7,776)	144,381
Repayment of other borrowings		(400,000)	(43,750)
Purchase of own shares		(1,416)	(1,489)
Premium on purchase of own shares		(123,295)	(129,564)
Capital element of finance lease rentals		<u>(135,995)</u>	<u>(107,630)</u>
Net cash outflow from financing		<u>(668,482)</u>	<u>(128,052)</u>
(Decrease)/increase in cash	24	<u><u>(1,090,805)</u></u>	<u><u>1,019,716</u></u>

The accompanying accounting policies and notes form part of these financial statements.

Other primary statements

Consolidated statement of total recognised gains and losses

	2011 £	2010 £
Profit for the year	1,003,791	871,021
Currency translation differences (no tax effect)	<u>(15,389)</u>	<u>(386)</u>
Total recognised losses and gains for the year	<u><u>988,402</u></u>	<u><u>870,635</u></u>

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Turnover and profit on ordinary activities before taxation

The turnover and profit before taxation are attributable to one activity, the manufacture, installation and rental of exhibition and display systems

The analysis of turnover by geographical market has not been disclosed as, in the opinion of the directors, this would be seriously prejudicial to the interests of the company

2 Operating profit

Operating profit is stated after charging:

	2011 £	2010 £
Depreciation of owned fixed assets	231,128	218,330
Depreciation of assets held on finance leases	185,728	156,406
Amortisation of goodwill	3,125	-
Auditor's remuneration		
Audit services		
Audit of the company	6,500	10,000
Audit of subsidiaries	24,750	17,000
Non-audit services	7,050	8,850
Operating lease costs		
Other	559,780	546,304
Foreign exchange gain	226,916	87,347
	<u> </u>	<u> </u>

3 Interest payable and similar charges

	2011 £	2010 £
Other interest	39,090	54,162
Interest payable on bank borrowing	38,332	10,579
Finance charges	13,137	13,859
	<u>90,559</u>	<u>78,600</u>

4 Directors and employees

The average number of staff employed by the group during the financial year amounted to

	2011 No	2010 No
Production	93	97
Distribution	12	13
Administration	134	129
	<u>239</u>	<u>239</u>

Directors and employees (continued)

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	6,233,844	6,195,710
Social security costs	619,671	583,886
Other pension costs	167,102	186,999
	<u>7,020,617</u>	<u>6,966,595</u>

Remuneration in respect of directors was as follows

	2011 £	2010 £
Emoluments receivable	228,767	227,627
Value of company pension contributions to money purchase schemes	20,000	28,333
	<u>248,767</u>	<u>255,960</u>

All directors' remuneration is in respect of the highest paid director

The number of directors who accrued benefits under company pension schemes was as follows

	2011 No	2010 No
Money purchase schemes	<u>1</u>	<u>1</u>

5

Dividends

Dividends on shares classed as equity

	2011 £	2010 £
The group		
Paid during the year		
Equity dividends on ordinary shares	<u>30,000</u>	<u>500,000</u>
The company		
Paid during the year		
Equity dividends on ordinary shares	<u>-</u>	<u>450,000</u>

6 Taxation on profit on ordinary activities

(a) Analysis of charge in the year

	2011	2010
	£	£
Current tax		
UK Corporation tax based on the results for the year at 26.49% (2010 - 28%)	375,779	424,461
Over provision in prior year	(20,743)	(14,626)
Total current tax	355,036	409,835
Deferred tax		
Origination and reversal of timing differences	(33,084)	13,109
Under/(over) provision in prior year	3,036	(3,989)
Tax on profit on ordinary activities	<u>324,988</u>	<u>418,955</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 26.49% (2010 - 28%)

	2011	2010
	£	£
Profit on ordinary activities before taxation	<u>1,339,162</u>	<u>1,289,976</u>
Profit on ordinary activities by rate of tax	354,744	361,193
Income and expenses not deductible for tax purposes	(52,093)	57,040
Differences between capital allowances and depreciation	69,458	436
Tax credits	(4,178)	-
Adjustments to tax charge in respect of previous periods	(20,743)	(14,626)
Other timing differences	7,848	7,236
Marginal relief	-	(1,444)
Total current tax (note 6(a))	<u>355,036</u>	<u>409,835</u>

Future tax rate changes

On 21 March 2012, the Chancellor announced a reduction in the main rate of UK corporation tax to 24% with effect from 1 April 2012

The Chancellor also proposed changes to further reduce the main rate of corporation tax to 22% by 1 April 2014, but these changes have not yet been substantively enacted. It has not yet been possible to quantify the full anticipated effect of this further 2% rate reduction, although this will further reduce the group's future current tax charge and reduce the group's deferred tax assets and liabilities accordingly

7 Profit for the financial year

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The company profit for the year was £80,184 (2010 - £510,516)

8 Tangible fixed assets

The group

	Leasehold property £	Plant & Machinery £	Motor Vehicles £	Office equipment £	Total £
Cost					
At 1 January 2011	332,362	3,095,690	35,626	360,113	3,823,791
Additions	27,147	286,186	-	67,753	381,086
Disposals	-	(494,879)	-	-	(494,879)
Transfers to joint venture	-	(11,514)	-	-	(11,514)
At 31 December 2011	<u>359,509</u>	<u>2,875,483</u>	<u>35,626</u>	<u>427,866</u>	<u>3,698,484</u>
Depreciation					
At 1 January 2011	163,420	2,548,484	35,376	282,807	3,030,087
Charge for the year	34,545	333,335	250	48,726	416,856
On disposals	-	(494,879)	-	-	(494,879)
Transfers to joint venture	-	(5,290)	-	-	(5,290)
Exchange difference	-	1,542	-	-	1,542
At 31 December 2011	<u>197,965</u>	<u>2,383,192</u>	<u>35,626</u>	<u>331,533</u>	<u>2,948,316</u>
Net book value					
At 31 December 2011	<u>161,544</u>	<u>492,291</u>	<u>-</u>	<u>96,333</u>	<u>750,168</u>
At 31 December 2010	<u>168,942</u>	<u>547,206</u>	<u>250</u>	<u>77,306</u>	<u>793,704</u>

Included within the net book value of £750,168 is £206,554 (2010 - £326,782) relating to assets held under finance leases. The depreciation charged to the group financial statements in the year in respect of such assets amounted to £185,728 (2010 - £156,406).

The company

	Plant & Machinery £	Motor Vehicles £	Total £
Cost			
At 1 January 2011	2,110,510	35,626	2,146,136
Disposals	(2,110,510)	(35,626)	(2,146,136)
At 31 December 2011	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation			
At 1 January 2011	1,857,480	35,376	1,892,856
On disposals	(1,857,480)	(35,376)	(1,892,856)
At 31 December 2011	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 31 December 2011	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2010	<u>253,030</u>	<u>250</u>	<u>253,280</u>

9 Investments

	2011 £	The group 2010 £
Investment in subsidiaries	-	-
Interests in joint venture	241,248	-
	<u>241,248</u>	<u>-</u>

Interest in joint venture

	Share of net assets £	Goodwill £	Total £
Cost			
At 1 January 2011	-	-	-
Additions	218,750	31,250	250,000
Share of net loss of joint venture	(5,627)	-	(5,627)
At 31 December 2011	<u>213,123</u>	<u>31,250</u>	<u>244,373</u>
Amounts written off			
At 1 January 2011	-	-	-
Provided in the year	-	3,125	3,125
At 31 December 2011	<u>-</u>	<u>3,125</u>	<u>3,125</u>
Net book value			
At 31 December 2011	<u>213,123</u>	<u>28,125</u>	<u>241,248</u>
At 31 December 2010	<u>-</u>	<u>-</u>	<u>-</u>

The company

	Shares in group undertakings £	Shares in joint ventures £	Total £
Cost			
At 1 January 2011	52,914	-	52,914
Additions	1,274,580	250,000	1,524,580
Disposals	(90)	-	(90)
At 31 December 2011	<u>1,327,404</u>	<u>250,000</u>	<u>1,577,404</u>
Amounts written off			
At 1 January 2011	2	-	2
Provided in the year	-	-	-
At 31 December 2011	<u>2</u>	<u>-</u>	<u>2</u>
Net book value			
At 31 December 2011	<u>1,327,402</u>	<u>250,000</u>	<u>1,577,402</u>
At 31 December 2010	<u>52,912</u>	<u>-</u>	<u>52,912</u>

Investments (continued)

At 31 December 2011 the company held 20% or more of the allotted share capital of the companies listed below

	Country of incorporation	Class of share capital held	Proportion held by parent %	Nature of business
Ultima Displays Limited	England	Ordinary	90%	Manufacture and development of exhibition and display systems
Orbus Europe Limited	England	Ordinary	100%	Dormant
Nimlok Limited	England	Ordinary	100%	Manufacture and development of exhibition and display systems
Marler Haley Limited	England	Ordinary	90%	Manufacture and development of exhibition and display systems
Neschen Portugal S A	Portugal	Ordinary	20%	Manufacture and development of exhibition and display systems
The Marketing Group (2001) Limited (formerly Shoo 517 Limited)	England	Ordinary	50%	Holding company
* VU-tbg Limited (formerly The Bridge Group Limited)	England	Ordinary	50%	Marketing of media campaigns
* VU Creative Limited	England	Ordinary	50%	Marketing of media campaigns
* Bridge Communications 2003 Limited	England	Ordinary	50%	Dormant
* TMG (2001) Limited	England	Ordinary	50%	Dormant

* Held by joint venture

Ultima Displays Limited holds more than 50% of the ordinary share capital of Ultima Displays France SRL, a company incorporated in France that is engaged in the manufacture and development of exhibition and display systems. Ultima Displays Limited also holds more than 50% of the ordinary share capital of Ultima Displays Italia IT, which is also engaged in the manufacture and development of exhibition and display systems. Ultima Displays Limited also holds more than 50% of the ordinary share capital of Ultima Displays Polska SP z o o, which is also engaged in the manufacture and development of exhibition and display systems.

Neschen Portugal S A has not been included within the consolidated financial statements as the directors do not consider that it is material to the group.

10 Stocks

	The group		The company	
	2011	2010	2011	2010
	£	£	£	£
Raw materials	3,374,843	1,860,621	-	406,860
Finished goods	221,560	131,828	-	131,828
	<u>3,596,403</u>	<u>1,992,449</u>	<u>-</u>	<u>538,688</u>

11 Debtors

	The group		The company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	3,074,405	2,694,451	-	661,845
Amounts owed by group undertakings	-	-	138,749	220,814
Amounts owed by related undertakings	88,081	24,002	25,000	8,048
Other debtors	92,427	51,643	-	21,724
Prepayments and accrued income	247,920	238,269	257	80,871
Deferred taxation (note 16)	41,853	11,805	-	42,367
	<u>3,544,686</u>	<u>3,020,170</u>	<u>164,006</u>	<u>1,035,669</u>

12 Creditors: amounts falling due within one year

	The group		The company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	54,402	118,470	-	-
Trade creditors	1,862,600	949,804	-	333,829
Amounts owed to group undertakings	-	-	408,908	73,250
Amounts owed to related undertakings	82,396	103,590	-	4,686
Corporation tax	204,975	284,631	-	45,446
Amounts due under finance leases	147,168	124,175	-	49,006
Other taxation and social security	413,765	480,130	-	247,553
Other creditors	357,148	196,302	-	105,380
Accruals and deferred income	1,085,363	1,128,671	69,541	354,389
	<u>4,207,817</u>	<u>3,385,773</u>	<u>478,449</u>	<u>1,213,539</u>

13 Creditors: amounts falling due after more than one year

	The group		The company	
	2011	2010	2011	2010
	£	£	£	£
Loans from related parties	856,250	1,256,250	-	-
Amounts due under finance leases	179,754	280,824	-	111,055
Bank loans	1,215,477	1,159,185	1,000,000	1,000,000
	<u>2,251,481</u>	<u>2,696,259</u>	<u>1,000,000</u>	<u>1,111,055</u>

The bank loan is repayable in full in April 2014 and bears interest of 3.25% above LIBOR. The bank loan is secured by a debenture and cross guarantee provided by P3 Group Europe Limited, Nimlok Limited and Ultima Displays Limited.

The finance leases are secured against the assets to which they relate.

Loans from related parties are unsecured and attract interest at a rate of 3.5% per annum. They are repayable in full in December 2014.

14 Commitments under finance leases

Future commitments under finance leases net of future finance lease charges are as follows:

The group

	2011	2010
	£	£
Amounts payable within 1 year	147,168	124,175
Amounts payable between 1 and 2 years	152,116	128,039
Amounts payable between 3 and 5 years	27,638	152,785
	<u>326,922</u>	<u>404,999</u>

The company

	2011	2010
	£	£
Amounts payable within 1 year	-	49,006
Amounts payable between 1 and 2 years	-	50,437
Amounts payable between 3 and 5 years	-	60,618
	<u>-</u>	<u>160,061</u>

15 Provision for liabilities

The group

	Deferred taxation (note 16) £
At 1 January 2011	(11,805)
Created in the year	<u>(30,048)</u>
At 31 December 2011	<u>(41,853)</u>

The company

	Deferred taxation (note 16) £
At 1 January 2011	42,367
Transferred out	<u>(42,367)</u>
At 31 December 2011	<u>-</u>

16 Deferred taxation

The deferred tax included in the Balance sheet is as follows

	The group		The company	
	2011	2010	2011	2010
	£	£	£	£
Included in debtors (note 11)	<u>41,853</u>	<u>11,805</u>	<u>-</u>	<u>42,367</u>

The movement in the deferred taxation account during the year was

	The group		The company	
	2011	2010	2011	2010
	£	£	£	£
Balance brought forward	11,805	20,925	42,367	55,937
Transferred out	-	-	(42,367)	-
Profit and loss account movement arising during the year	<u>30,048</u>	<u>(9,120)</u>	<u>-</u>	<u>(13,570)</u>
Balance carried forward	<u>41,853</u>	<u>11,805</u>	<u>-</u>	<u>42,367</u>

Deferred taxation (continued)

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

	The group		The company	
	2011	2010	2011	2010
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	71,605	38,249	-	31,592
Capital gains held over	(46,000)	(46,000)	-	-
Other timing differences	16,248	19,556	-	10,775
	<u>41,853</u>	<u>11,805</u>	<u>-</u>	<u>42,367</u>

17 Share capital

Authorised share capital

	2011	2010
	£	£
194,800 Ordinary shares of £1 each	<u>194,800</u>	<u>194,800</u>

Allotted, called up and fully paid

	2011		2010	
	No	£	No	£
Ordinary shares of £1 each	<u>107,928</u>	<u>107,928</u>	<u>109,344</u>	<u>109,344</u>

On 31 January 2011, the company repurchased 1,416 £1 ordinary shares at a cost of £124,711 to reorganise the company's structure. This represented 1% of the ordinary share capital.

18 Share premium account

There was no movement on the share premium account during the financial year.

19 Reserves

The group

	Profit and loss account	Other reserves
	£	£
Balance brought forward	1,483,369	31,600
Profit for the financial year	854,598	-
Foreign exchange movement	(15,389)	-
Purchase of own shares	(124,711)	1,416
Balance carried forward	<u>2,197,867</u>	<u>33,016</u>

Reserves (continued)

The company

	Profit and loss account £	Other reserves £
Balance brought forward	232,895	31,600
Profit for the financial year	80,184	-
Purchase of own shares	(124,711)	1,416
Balance carried forward	<u>188,368</u>	<u>33,016</u>

20 Minority interest

	2011 £
Balance brought forward	176,062
Profit and loss account movement	149,193
Dividend paid in year	(30,000)
Foreign exchange movement	24,420
	<u>319,675</u>

21 Reconciliation of movements in shareholders' funds

The group

	2011 £	2010 £
Profit for the financial year	1,003,791	871,021
Purchase of own ordinary shares	(1,416)	(1,489)
Premium on purchase of own ordinary shares	(123,295)	(129,564)
Equity dividends	-	(450,000)
Foreign exchange movement	(15,389)	(386)
Minority interest	(149,193)	(53,099)
Net increase in shareholders' funds	714,498	236,483
Opening shareholders' funds	1,827,965	1,591,482
Closing shareholders' funds	<u>2,542,463</u>	<u>1,827,965</u>

The company

	2011 £	2010 £
Profit for the financial year	80,184	510,516
Purchase of own ordinary shares	(1,416)	(1,489)
Premium on purchase of own ordinary shares	(123,295)	(129,564)
Equity dividends	-	(450,000)
Net reduction in shareholders' funds	(44,527)	(70,537)
Opening shareholders' funds	577,491	648,028
Closing shareholders' funds	<u>532,964</u>	<u>577,491</u>

22 Reconciliation of operating profit to net cash inflow from operating activities

	2011 £	2010 £
Operating profit	1,374,778	1,309,842
Depreciation	416,856	374,736
Amortisation	3,125	-
(Increase)/decrease in stocks	(1,603,954)	73,980
(Increase)/decrease in debtors	(494,468)	290,474
Increase in creditors	942,776	98,295
Foreign exchange	(32,917)	(25,117)
Net cash inflow from operating activities	<u>606,196</u>	<u>2,122,210</u>

23 Reconciliation of net cash flow to movement in net debt

	2011 £	2010 £
(Decrease)/increase in cash in the period	(1,090,805)	1,019,716
Cash outflow from finance leases	135,995	107,630
Net cash outflow from other loans	400,000	43,750
Net cash outflow/(inflow) from bank loans	7,776	(144,381)
Change in net funds	(547,034)	1,026,715
Inception of finance leases	(57,918)	(195,000)
Net debt at 1 January 2011	(659,168)	(1,490,883)
Net debt at 31 December 2011	<u>(1,264,120)</u>	<u>(659,168)</u>

24 Analysis of changes in net debt

	At 1 Jan 2011 £	Cash flows £	Inception of finance leases £	At 31 Dec 2011 £
Net cash				
Cash in hand and at bank	2,279,736	(1,090,805)	-	1,188,931
	<u>2,279,736</u>	<u>(1,090,805)</u>	<u>-</u>	<u>1,188,931</u>
Debt				
Assets on finance lease	(404,999)	135,995	(57,918)	(326,922)
Related party loans	(1,256,250)	400,000	-	(856,250)
Debt due after 1 year	(1,277,655)	7,776	-	(1,269,879)
Net funds	<u>(659,168)</u>	<u>(547,034)</u>	<u>(57,918)</u>	<u>(1,264,120)</u>

25 Major non cash items

During the year the group entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of £57,918 (2010 - £195,000)

26 Pensions

Defined contribution schemes

The group contributes to defined contribution pension schemes for the benefit of the directors and staff. The schemes are individual personal pension plans and are independent from the funds of the group.

27 Disposals

On 7 January 2011, P3 Group Europe Limited hived down its trade and assets to its subsidiary undertaking, Nimlok Limited. There was no profit or loss generated prior to the asset transfer.

	2011
	£
Net assets disposed of	
Tangible fixed assets	253,280
Current assets	
Stocks	538,688
Debtors	1,035,669
Cash	771,536
Creditors	
Trade creditors	(333,829)
Amounts owed to group undertakings	(73,250)
Amounts owed to related parties	(4,684)
Corporation tax	(45,446)
Amounts owed under finance leases	(160,061)
Other taxation and social security	(247,553)
Other creditors	(105,391)
Accruals and deferred income	(354,380)
	<u>1,274,579</u>
Satisfied by	
Shares allotted	300,000
Share premium	974,579
	<u>1,274,579</u>

On 7 January 2011, P3 Group Europe Limited transferred its interest in VU Creative Limited to The Marketing Group (2001) Limited (formerly Shoo 517 Limited). There was no profit or loss generated by VU Creative Limited prior to the transfer.

	2011
	£
Net assets disposed of	
Tangible fixed assets	6,224
Loss on disposal	(6,224)
	<u>-</u>

No cash consideration was received on the disposal.

28 Related party transactions

The company is exempt from the requirement of FRS 8 to disclose transactions with other wholly-owned members of the group

During the year, the company charged management charges of £112,457 (2010 - £116,821) to Ultima Displays Limited, a 90% owned subsidiary of P3 Group Europe Limited. At the year end £112,457 (2010 - £116,821) was due from Ultima Displays Limited in respect of these charges

Other transactions with Ultima Displays Limited comprised of sales to the value of £nil (2010 - £30,501) and purchases to the value of £nil (2010 - £423,243). Shared costs were recharged by P3 Group Europe Limited to Ultima Displays Limited during the year to the value of £nil (2010 - £132,076). At the year end there was a balance owing by Ultima Displays Limited of £138,749 (2010 - £128,636) and owing to Ultima Displays Limited of £nil (2010 - £2,552)

During the year, group transactions with P Three Group, Inc, a related party by virtue of common directorships, comprised of sales of £2,855 (2010 - £31,047) and purchases from P Three Group, Inc to the value of £2,220 (2010 - £93,995). An amount of £16,468 (2010 - £nil) was paid to P Three Group, Inc during the year in respect of consultancy services provided. Shared costs were recharged to P Three Group, Inc during the year to the value of £61,916 (2010 - £51,280). At the year end there was a balance owing to P Three Group, Inc of £nil (2010 - £67,210) and owing from P Three Group, Inc of £nil (2010 - £15,923).

Group transactions with Nimlok Canada, a related party by virtue of common directorships, included sales to the value of £nil (2010 - £822), purchases to the value of £nil (2010 - £4,486) and shared costs recharged to the value of £11,300 (2010 - £2,262). At the year end £860 (2010 - £nil) was owed from Nimlok Canada

Group transactions with Exsel Exhibits, a related party by virtue of common directorships, included shared costs recharged to the value of £157 (2010 - £nil) and sales of £7,654 (2010 - £nil). At the year end £75 (2010 - £nil) was owed by Exsel Exhibits and £188 (2010 - £nil) was owing to Exsel Exhibits

Group transactions with Orbus Display Group, a subsidiary of P Three Group, Inc, included shared costs to the value of £85,826 (2010 - £69,944), purchases to the value of £40,718 (2010 - £1,409) and sales to the value of £50,217 (2010 - £29,863). At the year end Orbus Display Group owed the group £13,605 (2010 - £12,684) and was owed £7,703 (2010 - £1,118)

Sales to the value of £356,808 (2010 - £212,987), purchases to the value of £52,500 (2010 - £212,987) and shared costs of £16,809 (2010 - £17,478) were made to Ultima Displays France SRL, a subsidiary of Ultima Displays Limited. At the year end Ultima France SRL owed £272,740 (2010 - £122,001)

Sales to the value of £121,588 (2010 - £42,202), purchases to the value of £30,775 (2010 - £nil) and shared costs of £1,808 (2010 - £nil) were made to Ultima Displays Italia IT, a subsidiary of Ultima Displays Limited. At the year end Ultima Displays Italia IT owed £168,366 (2010 - £18,570)

Sales to the value of £64,090 (2010 - £nil) were made to Ultima Displays Polska Sp z o o, a subsidiary of Ultima Displays Limited and costs of £1,141 (2010 - £nil) were recharged. At the year end Ultima Displays Polska Sp z o o owed £236,453 (2010 - £nil)

During the year the company charged shared costs of £270,267 (2010 - £256,567) to Marler Haley, a subsidiary of P3 Group Europe Limited. At the year end £67,542 (2010 - £60,881) was outstanding

Other transactions with Marler Haley comprised of purchases to the value of £48,763 (2010 - £62,249) from Ultima Displays Limited. At the year end £7,421 (2010 - £773) was outstanding

Related party transactions (continued)

Group transactions with Mado Poland, a related party by virtue of common directorships, included sales of £1,903 (2010 - £nil) and a transfer of assets with a net book value of £1 (2010 - £nil). At the year end there were no outstanding balances owed by Mado Poland.

Group transactions with ISF Exhibitions, a related party by virtue of common directorships, included sales of £11,063 (2010 - £nil). At the year end £3,750 (2010 - £nil) was owed by ISF Exhibitions.

Group transactions with Techno Designs, a related party by common directorships, included sales of £86,100 (2010 - £nil). At the year end £15,512 (2010 - £nil) was owed by Techno Designs.

Property rental costs of £482,554 (2010 - £448,000) were charged to the group by Perutz Property Partnership LLP, a related party by virtue of common directors. At the year end there were no outstanding balances (2010 - £nil) owing to Perutz Property Partnership LLP.

Property rental costs of £30,000 (2010 - £22,000) were charged to the group by Mr A J Burdett, a director of Ultima Displays Limited.

During the year, the group recharged costs of £40,737 (2010 - £nil) to VU-tbg Limited (formerly The Bridge Group Limited), a related party by virtue of common directorships. Other transactions with VU-tbg Limited (formerly The Bridge Group Limited) comprised of purchases to the value of £12,211 and sales to the value of £2,991 (2010 - £nil). At the year end £6,481 (2010 - £nil) was payable to VU-tbg Limited (formerly The Bridge Group Limited) in respect of these costs.

During the year, the group recharged costs of £71,177 to VU Creative Limited, a related party by virtue of common directorships. Other transactions with VU Creative Limited comprised of purchases to the value of £225,893 (2010 - £223,019) and sales to the value of £457 (2010 - £62,502). At the year end VU Creative Limited owed the group £7,703 (2010 - £nil) and was owed £34,977 (2010 - £9,219).

In 2009 the shareholders of P3 Group Europe Limited advanced a £1,170,000 loan to the group. Mr A J Burdett also made a loan of £130,000 to the group. These loans attract interest at a rate of 3.5%. At the year end £856,250 (2010 - £1,256,250) remained outstanding.

During the year the group paid dividends of £nil (2010 - £500,000) of which £nil (2010 - £265,883) was received by Mr T P G Perutz, £nil (2010 - £112,500) was received by Mr G E A Perutz, £nil (2010 - £71,618) was received by Mr S G A Perutz. During the year P3 Group Europe Limited received a dividend of £270,000 (2010 - £450,000) from a subsidiary undertaking and £30,000 (2010 - £50,000) was received by Mr A J Burdett.

29 Operating leases

Operating leases payments amounting to £638,944 (2010 - £544,570) are due within one year. The leases to which these amounts relate expire as follows:

	2011		2010	
	Land and buildings £	Other £	Land and buildings £	Other £
Within one year	-	10,173	-	8,055
Within two to five years	-	5,196	-	66,515
After more than 5 years	623,575	-	470,000	-
	<u>623,575</u>	<u>15,369</u>	<u>470,000</u>	<u>74,570</u>

30 Capital commitments

At 31 December 2011 there was a capital commitment of £216,279 contracted for but not provided for in these financial statements (2010 - £30,000)

31 Contingent liabilities

There were no contingent liabilities at 31 December 2011 or 31 December 2010

32 Controlling related party

The controlling related party is Mr T P G Perutz by virtue of ownership of shares and directorship of the company