

Spinneys 1948 Limited

**Directors' report and unaudited
consolidated financial statements**

Registered number 00644722

30 June 2013

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COMPANIES HOUSE

Directors' report

The Directors present their directors' report and financial statements for the year ended 30 June 2013.

Principal activities and business review

The principal activity of the company is acting as an intermediate holding company. The company was dormant during the year.

Following the move of the company's administrative office to Dubai from Bahrain in 1997, the management decided to maintain the books of the company in UAE Dirhams as the functional currency.

Dividends

The directors do not recommend the payment of a final dividend.

Directors

The directors who held office during the year were as follows:

W H Siddique
M R Lakhani
K R Awan

By order of the board



Muhammad Rafique Lakhani
Director

One Fleet Place
London
EC4M 7WS

31 March 2014

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The group and parent company financial statements are required by law to give a true and fair view of the state of affairs of the group and the parent company and of the profit or loss for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are also reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Consolidated profit and loss account

for the year ended 30 June 2013

	<i>Note</i>	2013 AED'000	2012 AED'000
Administrative expenses		-	-
Net operating loss		-	-
Loss on ordinary activities before taxation	<i>2</i>	-	-
Tax on loss on ordinary activities	<i>5</i>	-	-
Loss for the year	<i>10</i>	-	-

A statement of total recognised gains and losses has not been included as the Group made no gains or losses in the period other than disclosed above in the profit and loss account.

A note on historical gains and losses has not been included as the results disclosed in the profit and loss account are prepared on an unmodified historical cost basis.

Consolidated balance sheet

at 30 June 2013

	Note	2013		2012	
		AED'000	AED'000	AED'000	AED'000
Current assets					
Cash at bank and in hand		-	-	-	-
		-	-	-	-
Creditors: amounts falling due within one year	7	(3,942)		(3,942)	
Net current liabilities			(3,942)		(3,942)
Total assets less current liabilities			(3,942)		(3,942)
Net liabilities			(3,942)		(3,942)
Capital and reserves					
Called up share capital	8		16,488		16,488
Profit and loss account	9		(20,430)		(20,430)
Shareholders' funds	10		(3,942)		(3,942)

The directors:

- a) confirm that the group was entitled to exemption under section 476 of the Companies Act 2006 from the requirement to have its accounts for the financial year ended 30 June 2013 audited
- b) confirm that members have not required the group to obtain an audit of its accounts for that financial year in accordance with section 476 of that Companies Act 2006.
- c) acknowledge their responsibilities for:
 - (i) ensuring that the group keeps accounting records which comply with section 386 of the Companies Act 2006, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the group as at the end of the financial year and of its results for the financial year in accordance with the requirements of section 393 of that Act, and which otherwise comply with the requirements of that Act relating to the accounts, so far as applicable to the group.

These financial statements were approved by the board of directors on 31 March 2014 and were signed on its behalf by:



Muhamimad Rafique Lakhani
Director

Company balance sheet

at 30 June 2013

	Note	2013		2012	
		AED'000	AED'000	AED'000	AED'000
Fixed assets					
Investments	6		-		-
Current assets					
Cash at bank and in hand		-		-	
		-		-	
Creditors: amounts falling due within one year	7	(3,942)		(3,942)	
Net current liabilities			(3,942)		(3,942)
Net liabilities			(3,942)		(3,942)
Capital and reserves					
Called up share capital	8	16,488		16,488	
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 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393 of that Act, and which otherwise comply with the requirements of that Act relating to the accounts, so far as applicable to the company.

These financial statements were approved by the board of directors on 31 March 2014 and were signed on its behalf by:



Mubammad Rafique Lakhani
Director

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 group'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.

Under FRS 1 'Cash flow statements'; 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 C2 Limited (the "Holding Company") the company has taken advantage of the exemption contained in FRS 8 'Related Party disclosures' and therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of C2 Limited, within which this company is included, can be obtained from PO Box 23448, Dubai, UAE.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 30 June 2013. The acquisition method of accounting has been adopted. Under this method, the results of the subsidiary undertakings acquired or disposed of in the year are included in the profit and loss account, from the date of acquisition to the date of disposal.

An associate is an undertaking in which the group has a long-term interest, usually from 20% to 50% of the equity voting rights, and over which it exercises significant influence. The group's share of the profits less losses of associates is included in the consolidated profit and loss account and its interest in their net assets, is included in investments in the consolidated balance sheet.

Under section 408 of the Companies Act 2006 the company is exempt from the requirement to present its own profit and loss account. The company's loss for the year is given in note 10.

Notes (continued)

1 Accounting policies (continued)

Foreign currencies

Foreign currency transactions are translated into UAE Dirhams (AED) at the rates ruling on the transaction dates. Monetary assets and liabilities are translated into AED at the rates ruling on the balance sheet date, except where the rate of exchange is fixed under contractual arrangements. Differences on exchange are dealt with in the profit and loss account.

The assets and liabilities of overseas subsidiary undertakings are translated at the closing exchange rates. Gains and losses arising on these translations are taken to reserves, net of exchange differences arising on related foreign currency borrowings.

At 30 June 2013 the exchange rate was AED 5.59 = £1 (2012: AED 5.74 = £1).

Following the move of the company's administrative office to Dubai from Bahrain in 1997, the management decided to maintain the books of the company in UAE Dirhams.

Share capital is recorded at the rate of exchange prevailing at 31 December 1991, the date from which the accounting records were maintained in Bahraini Dinars, and retranslated to UAE Dirhams at the 1996 closing rate of exchange.

Investments

Investments in associate companies are accounted for using the equity method. There were no active associate companies accounted for under the equity method.

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences.

Deferred tax 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 otherwise required by FRS 19 'Deferred tax'.

Notes (continued)

2 Notes to the profit and loss account

	2013 AED'000	2012 AED'000
<i>Loss on ordinary activities before taxation is stated after charging</i>		
Write off of related party debt	-	-
Company - audit	-	-
	<u> </u>	<u> </u>

3 Staff numbers and costs

The average number of persons employed by the group (including directors) during the year, was as follows:

	Group and Company Number of employees 2013	2012
Production, distribution and sales	3	3
	<u> </u>	<u> </u>

All employees discharged their duties wholly or mainly outside the United Kingdom, and all payroll costs relating to these employees are incurred directly by other group companies

4 Directors' emoluments

The directors of the group were paid by fellow subsidiaries or by other Cupola group companies. No charge is made for their services to the group.

All directors of the group discharged their duties wholly or mainly outside the United Kingdom.

Notes (continued)

5 Taxation

	2013 AED'000	2012 AED'000
<i>On the taxable loss for the period:</i>		
UK Corporation tax	-	-
Current tax on income for the year	-	-
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>
 Current tax reconciliation	 2013 AED'000	 2012 AED'000
Loss on ordinary activities before tax	-	-
	<u> </u>	<u> </u>
Current tax at 23% (2012: 24%)	-	-
Effects of:		
Expenses not deductible for tax purposes	-	-
Increase in taxation losses	-	-
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

Factors that may affect future current and total tax charges

At 30 June 2013 the group had unutilised losses of AED 1,505,646 (2012 – AED 1,505,646).

Notes *(continued)*

6 Investments - Company

	Subsidiary undertakings AED'000	Associated Undertakings AED'000	Total AED'000
Carrying value			
At 1 July 2012 and 30 June 2013	606	146	752
Provision for impairment			
At 1 July 2012 and 30 June 2013	606	146	752
Net book value			
At 30 June 2013	-	-	-
At 30 June 2012	-	-	-

Principal subsidiary and associated undertakings and partnerships

Name of undertakings (country of incorporation)	Description of shares held	Proportion of nominal value of ordinary shares beneficially held by the Company %
Subsidiary undertakings:		
Inchcape Marketing Services (Lebanon) SAL (Dormant)	Ordinary LL 1,000,000 shares	55
Associate undertaking:		
Distributors & Agencies (Lebanon) SAL (Dormant)	Ordinary LL 25 shares	25

Notes (continued)

7 Creditors

	Group 2013 AED'000	Group 2012 AED'000	Company 2013 AED'000	Company 2012 AED'000
Accruals	45	45	45	45
Taxation	3,897	3,897	3,897	3,897
	<u>3,942</u>	<u>3,942</u>	<u>3,942</u>	<u>3,942</u>

8 Called up share capital

	Number		Value	
	2013	2012	2013 AED'000	2012 AED'000
<i>Authorised</i>				
Ordinary shares of £1 each	<u>2,400</u>	<u>2,400</u>	<u>16,488</u>	<u>16,488</u>
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	<u>2,400</u>	<u>2,400</u>	<u>16,488</u>	<u>16,488</u>

As stated in the significant accounting policies, called up share capital is stated at the exchange rate in effect on 31 December 1991 (£1 = BD 0.706) and retranslated to UAE Dirhams at the rate prevailing on 31 December 1996 (AED 1 = BD 0.10271).

9 Reserves – Group and Company

	Profit and loss account AED'000
At 1 July 2012	(20,432)
Loss for the year	-
	<u>(20,432)</u>

10 Reconciliation of movement in shareholders' funds – Group and Company

	2013 AED'000	2012 AED'000
Loss after taxation	-	-
Net reduction in shareholders' funds	-	-
Opening equity shareholders' funds	<u>(3,942)</u>	<u>(3,942)</u>
Closing equity shareholders' funds	<u>(3,942)</u>	<u>(3,942)</u>