

Registered number: 2595720

OCEANA INVESTMENT CORPORATION LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**



OCEANA INVESTMENT CORPORATION LIMITED

COMPANY INFORMATION

DIRECTORS	M Lewis P Press S Aaron
COMPANY SECRETARY	J A Fester
COMPANY NUMBER	2595720
REGISTERED OFFICE	56 Conduit Street London W1S 2YZ
AUDITOR	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
BANKERS	The Royal Bank of Scotland 250 Regent Street London W1A 4RY

OCEANA INVESTMENT CORPORATION LIMITED

CONTENTS

	Page
Directors' report	1 – 2
Independent auditor's report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 15

OCEANA INVESTMENT CORPORATION LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013

The directors present their report and the financial statements for the year ended 31 March 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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,
- 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.

PRINCIPAL ACTIVITIES

The company operates as an investment company and provider of investment advisory services.

DIRECTORS

The directors who served during the year were

M Lewis
P Press
S Aaron

OCEANA INVESTMENT CORPORATION LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2013**

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

AUDITOR

The auditor, Crowe Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf



M Lewis
Director

Date 23 October 2013

OCEANA INVESTMENT CORPORATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OCEANA INVESTMENT CORPORATION LIMITED

We have audited the financial statements of Oceana Investment Corporation Limited for the year ended 31 March 2013 which comprise a profit and loss account, statement of total recognised gains and losses, balance sheet and notes numbered 1 to 15, set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's 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 statement of Directors' responsibilities, 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 Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

OCEANA INVESTMENT CORPORATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OCEANA INVESTMENT CORPORATION LIMITED

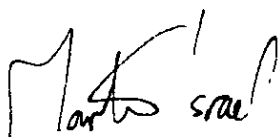
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report



Martin Israel (Senior statutory auditor)

for and on behalf of
Crowe Clark Whitehill LLP

Statutory Auditor

St Bride's House
10 Salisbury Square
London
EC4Y 8EH
Date 23 October 2013

OCEANA INVESTMENT CORPORATION LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2013**

	Note	2013 £	2012 £
Turnover	1 2	2,482,176	784,939
Administrative expenses		<u>(2,400,525)</u>	<u>(2,153,227)</u>
Operating profit/(loss)	2	81,651	(1,368,288)
Amounts written back/(off) investments and loans		28,093	(523,356)
Profit on disposal of investments		-	1,804,284
Interest received		145,519	323,914
Other finance costs – interest paid		<u>(229,073)</u>	<u>(227,220)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		26,190	9,334
Tax on profit on ordinary activities	4	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR	10	<u>26,190</u>	<u>9,334</u>

The notes on pages 8 to 15 form part of these financial statements

OCEANA INVESTMENT CORPORATION LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2013**

	2013 £	2012 £
PROFIT FOR THE FINANCIAL YEAR	26,190	9,334
Actuarial gain/(loss) for the year	42,913	(22,427)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	69,103	(13,093)

The notes on pages 8 to 15 form part of these financial statements

OCEANA INVESTMENT CORPORATION LIMITED

**BALANCE SHEET
AS AT 31 MARCH 2013**

		2013		2012	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	5		144,287		197,255
Investments	6		<u>107,071</u>		<u>122,002</u>
			251,358		319,257
CURRENT ASSETS					
Debtors	7	708,231		893,705	
Cash at bank		<u>6,938,143</u>		<u>6,573,902</u>	
		7,646,374		7,467,607	
CREDITORS: amounts falling due within one year	8	<u>(331,622)</u>		<u>(243,544)</u>	
NET CURRENT ASSETS			<u>7,314,752</u>		<u>7,224,063</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			7,566,110		7,543,320
Defined benefit pension scheme liability	12		<u>(4,231,948)</u>		<u>(4,272,948)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>3,334,162</u>		<u>3,270,372</u>
CAPITAL AND RESERVES					
Called up share capital	9		6,536,764		6,536,764
Revaluation reserve	10		-		5,313
Profit and loss account	10		<u>(3,202,602)</u>		<u>(3,271,705)</u>
SHAREHOLDERS' FUNDS			<u>3,334,162</u>		<u>3,270,372</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

M Lewis
Director



Date 23 October 2013

The notes on pages 8 to 15 form part of these financial statements

OCEANA INVESTMENT CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, modified by the revaluation of fixed asset investments and financial instruments (including derivative instruments) at fair value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements contain information about Oceana Investment Corporation Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 399 of the Companies Act 2006 from the requirements to prepare consolidated financial statements given the company is subject to the small companies regime.

The directors have reviewed the company's budgeted trading for the forthcoming 12 months in conjunction with the availability of working capital and is satisfied that it is appropriate to prepare the company's financial statements on a going concern basis.

1.2 Turnover

Turnover, derived from the principal activities of the company, represents dividends receivable and management fees receivable.

The geographical analysis of turnover is

	2013	2012
	£	£
Europe	2,253,343	426,891
Africa	-	134,237
Australia	228,833	223,811
Total	2,482,176	784,939

Dividends and management fees are recognised when the company becomes entitled to them.

1.3 Cash flow

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Buildings	-	6% straight line
Motor vehicles	-	20% straight line
Fixtures, fittings and equipment	-	20-33% straight line

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

1. ACCOUNTING POLICIES (continued)

1.5 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

The company operates an unfunded defined benefits pension scheme relating to a former director and the pension loss is based on an actuarial valuation dated 27 September 2011

Defined benefit scheme liabilities are measured on an actuarial basis using the projected unit method. The liabilities comprise benefits promised under the formal terms of the scheme. The net liability after deferred tax is recognised in the balance sheet

The assumptions underlying the valuation are set out in note 12

OCEANA INVESTMENT CORPORATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

1. ACCOUNTING POLICIES (continued)

1.9 Fixed asset investments

Listed investments are stated at market prices at the balance sheet date. Unlisted investments are valued by the directors at the year end where no quoted price exists for them. The excess over cost of such valuations (if any) is credited to a revaluation reserve. Any provision for permanent diminution in value below cost is charged to the profit and loss account. On disposal of a revalued investment the gain or loss, calculated as the difference between the cost price and the selling price of the investment, is taken to the profit and loss account.

Shares in group undertakings and loans to group undertakings are shown at cost less provision for impairment.

1.10 Investment income

Interest from fixed interest securities and bank deposits is taken to income on the accruals basis. Franked investment income received is inclusive of the related tax credit.

2. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging or crediting

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	87,460	87,316
Auditors' remuneration	10,000	9,500
Pension costs	46,888	51,359
	<hr/>	<hr/>

3. DIRECTORS' REMUNERATION

	2013 £	2012 £
Aggregate emoluments	<hr/>	<hr/>
	630,000	405,000

OCEANA INVESTMENT CORPORATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

4. TAXATION

	2013 £	2012 £
Corporation tax	-	-
	<u>-</u>	<u>-</u>

The company has not recognised a potential deferred tax asset with respect to tax losses of approximately £2.0m (2012 £1.7m) as there is no certainty that suitable taxable profits will be available in the foreseeable future to offset the losses carried forward. In accordance with FRS19, the directors will continue to assess in the future whether deferred tax assets should be recognised in respect of this item.

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 April 2012	100,000	427,577	527,577
Additions	<u>22,980</u>	<u>11,512</u>	<u>34,492</u>
At 31 March 2013	<u>122,980</u>	<u>439,089</u>	<u>562,069</u>
Depreciation			
At 1 April 2012	32,250	298,072	330,322
Charge for the year	<u>6,450</u>	<u>81,010</u>	<u>87,460</u>
At 31 March 2013	<u>38,700</u>	<u>379,082</u>	<u>417,782</u>
Net book value			
At 31 March 2013	<u>84,280</u>	<u>60,007</u>	<u>144,287</u>
At 31 March 2012	<u>67,750</u>	<u>129,505</u>	<u>197,255</u>

OCEANA INVESTMENT CORPORATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

6. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Subsidiary undertaking £	Total £
Cost or valuation				
At 1 April 2012	104,224	17,777	1	122,002
Revaluations	(10,034)	(4,897)	-	(14,931)
At 31 March 2013	94,190	12,880	1	107,071

Listed investments

The market value of the listed investments at 31 March 2013 was £94,190 (2012 £104,224)
The historical cost of listed investments at 31 March 2013 was £98,912 (2012 £98,912)

Unlisted investments

On 26 March 2013 the company entered into an agreement to purchase 8,876,887 ordinary shares, amounting to 5.1% of the total share capital of Strandbags Holdings PTY Limited, for a consideration of Aus\$8,999,966. The acquisition was completed on 30 April 2013.

Subsidiary undertaking

During the year the company owned 100% of the Ordinary share capital of Oceana Investments (Asia Pacific) Pty Ltd, registered in Australia.

The aggregate of the share capital and reserves for the subsidiary undertaking as at 29 February 2013 was AUD \$ (1,112,974) and its loss for the period 1 March 2012 to 29 February 2013 was AUD \$265,021. On 10 October 2013 the company disposed of this subsidiary for a consideration of £1.

OCEANA INVESTMENT CORPORATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

7 DEBTORS

	2013	2012
	£	£
Due after more than one year		
Other debtors	363,505	527,271
Due within one year		
Trade debtors	10,892	123,584
Other debtors and prepayments	333,834	242,850
	<u>708,231</u>	<u>893,705</u>

**8. CREDITORS:
Amounts falling due within one year:**

	2013	2012
	£	£
Trade creditors	12,850	157,661
Social security and other taxes	64,761	63,758
Other creditors	254,011	22,125
	<u>331,622</u>	<u>243,544</u>

Included in other creditors was an amount owed to directors of £208 (2012 £3,933)

9. SHARE CAPITAL

	2013	2012
	£	£
Allotted, called up and fully paid		
6,536,764 A Ordinary shares of £1 each	<u>6,536,764</u>	<u>6,536,764</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

10. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 April 2012	5,313	(3,271,705)
Profit for the year	-	26,191
Actuarial profit for defined benefit pension scheme	-	42,912
Revaluation reserve released on revaluation of fixed asset investment	(5,313)	-
	<hr/>	<hr/>
At 31 March 2013	<hr/> -	<hr/> (3,202,602)

11. CONTINGENT LIABILITIES

Oceana Investment Corporation Limited has executed a guarantee in favour of ING Bank securing the obligations of a former group undertaking (Gaucho Nederland BV) in respect of facilities provided to that company by ING Bank. The maximum amount of the exposure amounted to approximately €462,000 (2012 €572,000)

12. PENSION COMMITMENTS

The contributions paid by the company to the defined contribution scheme amounted to £46,887 (2012 £28,932)

The company operates a defined benefit pension scheme, which is unfunded

The pension cost and provision for the year ending 31 March 2013 are based on the advice of a professionally qualified actuary. The most recent valuation is dated 27 September 2011

	2013 £	2012 £
Movements in provision during the year:		
At beginning of year	4,272,948	4,244,470
Benefits paid	(227,052)	(221,169)
Other finance costs	228,965	227,220
Actuarial (gain)/loss	(42,913)	22,427
	<hr/>	<hr/>
At end of year	<hr/> 4,231,948	<hr/> 4,272,948

OCEANA INVESTMENT CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

12. PENSION COMMITMENTS (continued)

The financial assumptions used to assess the present value of the obligation are

Rate of increase of pension in payment	3% per annum
Discount rate	4% per annum

The most significant demographic assumption underlying the valuation is mortality. The mortality tables used are PNMA00 (males) and PNFA00 (females). The mortality improvement allowance is in line with the 'Medium Cohort' adjustment to these tables, subject to a minimum improvement of 0.5% per annum.

13. OPERATING LEASE COMMITMENTS

At 31 March 2013 the company has annual commitments for land and buildings under non-cancellable operating leases as follows

	2013 £	2012 £
Expiry date:		
Less than 1 year	54,350	-
More than 1 year less than 5 years	-	163,050
Greater than 5 years	-	-

14. RELATED PARTIES

Michael Lewis is a partner of Oceana Capital Partners LLP and Oceana Investment Partners LLP.

During the year, the company recharged at arm's length expenses amounting to £419,822 (2012 £423,358) to Oceana Capital Partners LLP with £16,029 (2012 £nil) outstanding at the year end, and recharged at arm's length expenses amounting to £67,367 (2012 £13,014) to Oceana Investment Partners LLP with £24 (2012 £3,607) outstanding at the year end.

The company received £50,000 (2012 £8,033) in respect of accounting and secretarial services from Oceana Investment Partners LLP. The company paid advisory fees of £480,000 (2012 £80,000) to Oceana Investment Partners LLP.

Michael Lewis is a director of Strandbags Holdings Limited. During the year, the company received management fees of £228,833 (2012 £223,811) from Strandbags. There were no amounts outstanding at 31 March 2013 (2012 £nil).

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

At the year end the directors consider that the ultimate controlling party is Stanley & Zea Lewis Trust.