

Company Registration No. 03138090
England and Wales

LIPMANN TRADING LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011



113424-A-2011

Registered Office
Suite 123
Viglen House
London
HA0 1HD
United Kingdom

LIPMANN TRADING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

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

Principal activities and review of the business

The principal activity of the company is that of an investment company

Results and dividends

The results for the year are set out on page 5

Dividends of £821,000 have been paid during the period (2010 £-)

Post balance sheet events

The company disposed of 41% of the subsidiary S I F I S during 2012

Directors

The following directors have held office since 1 January 2011

A M Stuart

Barletta Inc

Bluewall Limited

(Appointed 16 December 2011)

(Resigned 16 December 2011)

Financial instruments

Treasury operations and financial instruments

The company has various financial instruments arising from its activities and operations. The company does not trade speculatively or otherwise in regard to derivatives or similar instruments

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business

Interest rate risk

The company is exposed to fair value interest rate risk on any fixed rate borrowings and cash flow interest rate risk on any floating rate deposits, bank overdrafts and loans

Foreign currency risk

The company's principal foreign currency exposures arise from trading with and funding to or from overseas companies

Credit risk

Investment of cash surpluses and borrowings are made through banks and companies who must be approved by the Board. Debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary

Auditors

In accordance with the company's articles, a resolution proposing that Matthew Edwards & Co be reappointed as auditors of the company will be put at a General Meeting

LIPMANN TRADING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

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 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 judgements and accounting 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Barletta Inc

Director

28.09.12

MATTHEW EDWARDS & CO
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LIPMANN TRADING LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LIPMANN TRADING LIMITED

We have audited the financial statements of Lipmann Trading Limited for the year ended 31 December 2011 set out on pages 5 to 11. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, 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 December 2011 and of its loss for the year then ended, and
- 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.

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.

LIPMANN TRADING LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF LIPMANN TRADING LIMITED

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

Mr Nigel Morris BA FCA (Senior Statutory Auditor)
for and on behalf of Matthew Edwards & Co.

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Chartered Accountants
Statutory Auditor

86 Jermyn Street
St. James
London
England
SW1Y 6AW

LIPMANN TRADING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

		Year ended 31 December 2011 £	Year ended 31 December 2010 £
	Notes		
Administrative expenses		(34,279)	(42,379)
Operating loss	2	(34,279)	(42,379)
Investment income	3	-	21,008
Other interest receivable and similar income	3	1,244	1,949
Interest payable and similar charges	4	-	(83,001)
Loss on ordinary activities before taxation		(33,035)	(102,423)
Tax on loss on ordinary activities	5	(2)	(922)
Loss for the year	11	(33,037)	(103,345)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

LIPMANN TRADING LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Investments	7		3,719,847		3,719,847
Current assets					
Debtors	8	9,640		802,729	
Cash at bank and in hand		70		49,979	
		<u>9,710</u>		<u>852,708</u>	
Creditors' amounts falling due within one year	9	<u>(14,553)</u>		<u>(3,514)</u>	
Net current (liabilities)/assets			<u>(4,843)</u>		<u>849,194</u>
Total assets less current liabilities			<u>3,715,004</u>		<u>4,569,041</u>
Capital and reserves					
Called up share capital	10		1,000		1,000
Profit and loss account	11		3,714,004		4,568,041
Shareholders' funds	12		<u>3,715,004</u>		<u>4,569,041</u>

Approved by the Board and authorised for issue on 28.09.12



Barletta Inc
Director

Company Registration No. 03138090

LIPMANN TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The financial statements have been prepared on the going concern basis. This is considered appropriate as the ultimate beneficial shareholders will continue to provide financial support to the company for the foreseeable future.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Investments

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

1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.4 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.5 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

2 Operating loss	2011	2010
	£	£
Operating loss is stated after charging		
Fees payable to the company's auditor for the audit of the company's annual accounts	11,400	2,056
	<u>11,400</u>	<u>2,056</u>
3 Investment income	2011	2010
	£	£
Profit on disposal of unlisted investments	-	17,815
Income from fixed asset investments	-	3,193
Bank interest	-	1,949
Foreign exchange gains and other interest	1,244	-
	<u>1,244</u>	<u>22,957</u>

LIPMANN TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

4 Interest payable	2011 £	2010 £
Foreign exchange losses and other interest	-	83,001
	-	83,001

5 Taxation	2011 £	2010 £
Domestic current year tax		
Domestic corporate taxation of 26.49% (2010 - 28.00%)	-	-
Adjustment for prior years	2	-
Double tax relief	-	922
	2	922
Total current tax	2	922
Factors affecting the tax charge for the period		
Loss on ordinary activities before taxation	(33,035)	(102,423)
Loss on ordinary activities before taxation multiplied by standard rate of corporation tax of 26.49% (2010 - 28.00%)	(8,751)	(28,678)
Effects of		
Losses not recognised for accounting purposes	8,751	28,678
Adjustments to prior years	2	-
Other tax adjustments	-	922
	8,753	29,600
Current tax charge for the period	2	922

The company has estimated losses of £186,156 (2010 - £153,121) available for carry forward against future trading profits

On the basis of these financial statements no provision has been made for corporation tax

6 Dividends	2011 £	2010 £
Ordinary interim paid	821,000	-

LIPMANN TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

7 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2011 & at 31 December 2011	3,719,847
Net book value	
At 31 December 2011	3,719,847
At 31 December 2010	3,719,847

Holdings of 20% or more

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

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
S I F I S	Italy	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves	Profit/(loss) for the year
	Principal activity	£	£
S I F I S	Development of Real Estate	7,539,946	127,641

The full name of S I F I S is Societa' Industriale Finanziaria Immobiliare Sestrese SpA

8 Debtors	2011 £	2010 £
Corporation tax	9,640	-
Other debtors	-	802,729
	9,640	802,729

LIPMANN TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

9 Creditors: amounts falling due within one year	2011	2010
	£	£
Other creditors	301	-
Accruals and deferred income	14,252	3,514
	<u>14,553</u>	<u>3,514</u>

10 Share capital	2011	2010
	£	£
Allotted, called up and fully paid		
1,000 ordinary shares	<u>1,000</u>	<u>1,000</u>

The ordinary shares have a par value of £1 each

11 Statement of movements on profit and loss account	Profit and loss account
	£
Balance at 1 January 2011	4,568,041
Loss for the period	(33,037)
Dividends paid	(821,000)
Balance at 31 December 2011	<u>3,714,004</u>

12 Reconciliation of movements in shareholders' funds	2011	2010
	£	£
Loss for the financial year	(33,037)	(103,345)
Dividends	(821,000)	-
Net depletion in shareholders' funds	(854,037)	(103,345)
Opening shareholders' funds	<u>4,569,041</u>	<u>4,672,386</u>
Closing shareholders' funds	<u>3,715,004</u>	<u>4,569,041</u>

13 Employees

Number of employees

There were no employees during the year or the prior period apart from the directors who received no remuneration during this or the prior period.

LIPMANN TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

14 Post balance sheet events

The company disposed of 41% of the subsidiary S I F I S during 2012

15 Related party relationships and transactions

The directors are aware of the identity of the ultimate controlling party. However, they are under a duty of confidentiality that prevents them disclosing certain information otherwise required by Financial Reporting Standard 8. Therefore they have taken the exemption offered by the standard in respect of confidentiality.

Dividends of £821,000 (2010 £-) were paid to the shareholders during the period under review