

Company Registration No. 03595727 (England and Wales)

APOLLO ESTATES LIMITED
DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 AUGUST 2012

APOLLO ESTATES LIMITED

COMPANY INFORMATION

Directors	Mr S Nackvi Mr E Nackvi (Appointed 28 September 2011)
Secretary	Mr S Nackvi
Company number	03595727
Registered office	30 St James's Street London SW1A 1HB
Auditors	Crowe Clark Whitehill (London) Limited Chartered Accountants 30 St James's Street London SW1A 1HB
Business address	1 Connaught House Mount Row London W1K 3RA
Bankers	Coutts & Co - Strand Branch 440 Strand London WC2R 0QS
Solicitors	Kearns & Co 2nd Floor Berkley Square House Berkley Square London WC1R 4FB

APOLLO ESTATES LIMITED

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APOLLO ESTATES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 AUGUST 2012

The directors present their report and financial statements for the year ended 30 August 2012.

Principal activities

The principal activity of the company continued to be that of property investment.

Directors

The following directors have held office since 31 August 2011:

Mr S Nackvi

Mr A M Kazmi

(Resigned 30 August 2012)

Mrs R Kazmi

(Resigned 30 August 2012)

Mr A A Kazmi

(Resigned 30 August 2012)

Mr E Nackvi

(Appointed 28 September 2011)

Auditors

In accordance with the company's articles, a resolution proposing that Crowe Clark Whitehill (London) Limited be reappointed as auditor of the company will be put at a General Meeting.

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 judgements and accounting 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.

APOLLO ESTATES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2012

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditor 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

Mr S Nackvi

Director

8 May 2013

APOLLO ESTATES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF APOLLO ESTATES LIMITED

We have audited the financial statements of Apollo Estates Limited for the year ended 30 August 2012 set out on pages 5 to 11. 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 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 30 August 2012 and of its loss 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.

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.

APOLLO ESTATES LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF APOLLO ESTATES 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; 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.

Stacy Eden (Senior Statutory Auditor)

for and on behalf of Crowe Clark Whitehill (London) Limited

8 May 2013

Chartered Accountants

Statutory Auditor

30 St James's Street

London

SW1A 1HB

APOLLO ESTATES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 AUGUST 2012

		2012	2011
	Notes	£	£
Turnover		71,129	87,697
Cost of sales		<u>(26,351)</u>	<u>(41,605)</u>
Gross profit		44,778	46,092
Administrative expenses		<u>(58,793)</u>	<u>(57,316)</u>
Operating loss	2	(14,015)	(11,224)
(Loss)/profit on sale of fixed asset property		(26,026)	133,800
Impairment on investment property	4	<u>(1,585,577)</u>	<u>-</u>
(Loss)/profit on ordinary activities before interest		(1,625,618)	122,576
Other interest receivable and similar income	3	15	6
Interest payable and similar charges		<u>(32,877)</u>	<u>(32,501)</u>
(Loss)/profit on ordinary activities before taxation		(1,658,480)	90,081
Tax on (loss)/profit on ordinary activities	5	-	-
(Loss)/profit for the year	13	<u><u>(1,658,480)</u></u>	<u><u>90,081</u></u>

APOLLO ESTATES LIMITED

BALANCE SHEET

AS AT 30 AUGUST 2012

		2012	2011
	Notes	£	£
Fixed assets			
Tangible assets	6 and 7	1,204,985	2,899,450
Current assets			
Debtors	8	1,334	11,986
Investments	9	65,678	65,678
Cash at bank and in hand		32,012	179,824
		99,024	257,488
Creditors: amounts falling due within one year	10	(741,994)	(1,657,413)
Net current liabilities		(642,970)	(1,399,925)
Total assets less current liabilities		562,015	1,499,525
Creditors: amounts falling due after more than one year	11	(1,496,310)	(775,340)
		(934,295)	724,185
Capital and reserves			
Called up share capital	12	12,000	12,000
Share premium account	13	243,000	243,000
Revaluation reserve	13	269,379	269,379
Profit and loss account	13	(1,458,674)	199,806
Shareholders' funds		(934,295)	724,185

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 8 May 2013

Mr S Nackvi
Director

Company Registration No. 03595727

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 AUGUST 2012

1.1 Accounting convention

Due to the fact that the AIB bank loan is due for repayment in November 2013, there exists an uncertainty as to the going concern for the foreseeable future. However the ultimate shareholders have provided assurances of their continued support.

1.2 Compliance with accounting standards

1.3 Turnover

Turnover represents rental income received and receivable, net of VAT, and has been time apportioned where appropriate.

1.4 Tangible fixed assets and depreciation

Investment properties are professionally valued by Directors on an open market value basis. Other tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	25% straight line basis
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Investment properties are included in the Balance Sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

Changes to the open market value of the investment properties are taken to the revaluation reserve within the statement of total recognised gains and losses unless they are considered permanent and are below cost when they are taken to the profit and loss account.

1.5 Investments

Current asset investments are stated at the lower of cost and net realisable value.

2	Operating loss	2012	2011
		£	£
	Operating loss is stated after charging:		
	Depreciation of tangible assets	6,610	6,610
	Auditors' remuneration	5,000	5,249

APOLLO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2012

3	Investment income	2012	2011
		£	£
	Bank interest	15	6
		<u>15</u>	<u>6</u>

4	Impairment of Investment property	2012	2011
		£	£
	Permanent diminution in value	1,585,577	-
		<u>1,585,577</u>	<u>-</u>

5 Taxation

The company has £138,423 (2011: £97,800) excess management charges available to carry forward to set against future profits.

6 Tangible fixed assets

	Plant and machinery etc
	£
Cost or valuation	
At 31 August 2011 & at 30 August 2012	<u>32,440</u>
Depreciation	
At 31 August 2011	20,845
Charge for the year	<u>6,610</u>
At 30 August 2012	<u>27,455</u>
Net book value	
At 30 August 2012	<u>4,985</u>
At 30 August 2011	<u>11,595</u>

The net book value of tangible fixed assets includes £1,610 (2011 - £3,220) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £1,610 (2011 - £1,610) for the year.

APOLLO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2012

7 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 31 August 2011	2,887,855
Revaluation	(1,585,577)
Disposals	(102,278)
	<hr/>
At 30 August 2012	<u>1,200,000</u>

The company acquired the investment properties at an open market basis, where the current historical cost is £2,516,198 (2011: £2,618,476). Their valuations are calculated by the directors using advice from firms of Chartered Surveyors and Estate Agents, acting on behalf of the company. Additional work to the properties has been capitalised at historical cost. No depreciation has been provided in respect of these properties.

There were no additions in the year.

Under the AIB bank loan conditions, on 28 March 2012 the Mount Apollo investment property was valued at £600,000 by valuers Knight Frank on an open market basis in accordance with the Practice Statements of the Royal Institution of Chartered Surveyors (RICS) Appraisal and valuation method.

In the opinion of the directors the market value of the company's two investment properties at 30th August 2012 is £1,200,000 (2011: £2,887,855).

8 Debtors	2012 £	2011 £
Trade debtors	-	113
Other debtors	1,334	11,873
	<hr/>	
	1,334	11,986
	<hr/>	

9 Current asset investments	2012 £	2011 £
Other investments	65,678	65,678
	<hr/>	

APOLLO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2012

10 Creditors: amounts falling due within one year	2012	2011
	£	£
Bank loans and overdrafts	651,840	-
Net obligations under hire purchase contracts	340	2,039
Trade creditors	474	221
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	306,183
Taxation and social security	3,371	3,096
Other creditors	85,969	1,345,874
	741,994	1,657,413

The overdraft is secured by a fixed and floating charge over the assets of the company.

The company's AIB bank loan is secured by: the First legal mortgage over the freehold land on the west side of investment property Mount Apollo in the name of the company; a mortgage debenture from the company; a £700,000 guarantee from director S Nackvi for the obligations of the company and a letter of subordination from shareholder R Kazimi in respect of her £1,050,000 shareholders loan

11 Creditors: amounts falling due after more than one year	2012	2011
	£	£
Bank loans	113,096	775,000
Net obligations under hire purchase contracts	-	340
Other creditors	1,383,214	-
	1,496,310	775,340

Analysis of loans

Wholly repayable within five years	2,146,310	775,000
Included in current liabilities	(650,000)	-
	1,496,310	775,000

The company's Coutts bank loan is secured by: a mortgage debenture dated 3 June 1999, a legal mortgage dated 9 June 1999 over the company's leasehold property known as 8, 9 and 15 Wolseley Business Park, Bedford and a £525,000 guarantee from director S Nackvi dated 4 June 1999.

12 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
12,000 Ordinary shares of £1 each	12,000	12,000

APOLLO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2012

13 Statement of movements on reserves

	Share premium account	Revaluation reserve	Profit and loss account
	£	£	£
Balance at 31 August 2011	243,000	269,379	199,806
Loss for the year	-	-	(1,658,480)
Balance at 30 August 2012	243,000	269,379	(1,458,674)

14 Transactions with directors

At the year end Director S Nackvi was owed £2,835 (2011: £2,835) by the company.

15 Control

The ultimate controlling party is R Kazmi.

16 Related party transactions

During the year one of the company's investment properties, which was disposed of in the year, was rented to Samaha Holdings Limited, a company in which S Nackvi is a director. The rent charged in the year for this investment property was £1,589 (2011: £5,000).

At the year end shareholder R Kazmi was owed £1,347,553 by the company and A Kazmi was owed £40,000 by the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.