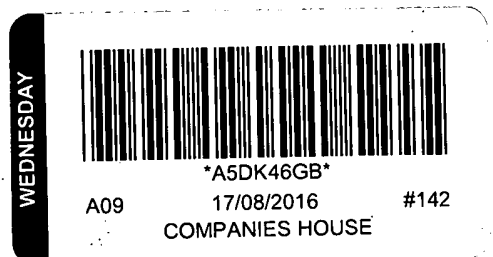


REGISTERED NUMBER: 04507284 (England and Wales)

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2015
for
Souk Management Limited

Ward Divecha Limited
Chartered Accountants &
Statutory Auditors
29 Welbeck Street
London
W1G 8DA



Souk Management Limited (Registered number: 04507284)

Contents of the Financial Statements
for the Year Ended 31 December 2015

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Souk Management Limited

Company Information
for the Year Ended 31 December 2015

DIRECTORS: Salim F Suterwalla
F T Suterwalla

SECRETARY: F T Suterwalla

REGISTERED OFFICE: 29 Welbeck street
London
W1G 8DA

REGISTERED NUMBER: 04507284 (England and Wales)

AUDITORS: Ward Divecha Limited
Chartered Accountants &
Statutory Auditors
29 Welbeck Street
London
W1G 8DA

Strategic Report
for the Year Ended 31 December 2015

The directors present their strategic report for the year ended 31 December 2015.

REVIEW OF BUSINESS

A year of progress, previous years had focused on strengthening the balance sheet and streamlining the portfolio of trading products, this year's goal was to return to enhancing profitability.

This was achieved with a recovery in positions held through year end 2014 and note redemption at par as expected.

The financial statements also show a significant historical adjustment in the figures reported for 2014. This is due to FRS102 reporting requirements, the balance sheet will now reflect liquidation prices at year end. The total impact on profitability is expected to be negligible, but timing differences will occur in profit and loss bookings.

Market volatility continues but risks have remained within acceptable parameters. The company is properly positioned to manage liquidity adjustments, trading relationships have been consolidated and better negotiated terms of business, provide vital support.

Work continues in improving accounting and reporting standards, we remain cognisant of the changing financial landscape and will endeavour to be better informed and appropriately positioned to capture opportunities.

During the year company had turnover of £46,746,591 (2014:£40,276,693).

PRINCIPAL RISKS AND UNCERTAINTIES

The principal activity of the Company outlined above gives rise to exposure to financial and operational risks in the ordinary course of business.

Management risks

As with similar sized businesses, the Group is run by a small management team and is reliant on the members of this team.

Market risks

Market risk is the risk that the fair value of financial assets and financial liabilities will change due to movements in market prices. It is closely monitored by the directors on a daily basis.

Exchange rate fluctuations

A significant proportion of the company's trading is denominated in foreign currencies, particularly the US \$. The majority of positions are hedged to reduce the exposure to exchange rate fluctuation, which are reported through the profit and loss account.

Liquidity risks

Liquidity risk is the risk that we will be unable to meet high value short notice payment obligations in the event of market volatility impacting portfolio realisation values.

We manage liquidity risk by ensuring that we have a sufficient number of liquid assets to meet broker margins and other financial liabilities in both normal and stressed conditions in a timely manner.

Souk Management Limited

Strategic Report
for the Year Ended 31 December 2015

KEY PERFORMANCE INDICATORS

The directors of Souk Management Ltd manage all financial positions in the market.

The appropriate metric to measure performance is a risk adjusted comparison of portfolio returns on equity utilised. Due to the individual proprietary nature of investment strategies, a simple market benchmark performance comparison can only be an estimation. For the year ended December 31st 2015, return on equity was 20.40%.

ON BEHALF OF THE BOARD:



.....
Salim F Suterwalla - Director

Date: 11th Aug. 2016

Report of the Directors
for the Year Ended 31 December 2015

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of trading on international financial exchanges.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2015.

FUTURE DEVELOPMENTS

With increasing uncertainty in the path of interest rates and higher volatility in markets, future opportunities remain difficult to capture, we are however confident the business model will deliver significant market outperformance by capturing optimal risk reward opportunities.

DIRECTORS

The directors during the year under review were:

Salim F Suterwalla
F T Suterwalla

The beneficial interests of the directors holding office on 31 December 2015 in the issued share capital of the company were as follows:

| | 31.12.15 | 1.1.15 |
|--|----------|--------|
| Ordinary share capital 1 shares | | |
| Salim F Suterwalla | 100 | 100 |
| F T Suterwalla | - | - |

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 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 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.

Souk Management Limited

Report of the Directors
for the Year Ended 31 December 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Ward Divecha Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
Salim F Suterwalla - Director

Date: 11th Aug 2016

Report of the Independent Auditors to the Members of
Souk Management Limited

We have audited the financial statements of Souk Management Limited for the year ended 31 December 2015 on pages eight to twenty two. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on pages four and five, 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 Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
Souk Management 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.



Adil Divecha (Senior Statutory Auditor)
for and on behalf of Ward Divecha Limited
Chartered Accountants &
Statutory Auditors
29 Welbeck Street
London
W1G 8DA

Date: 11. 8. 16

Souk Management Limited (Registered number: 04507284)

Income Statement
for the Year Ended 31 December 2015

| | Notes | 2015 £ | 2014 £ |
|---|-------|-------------------------|-------------------------|
| TURNOVER | | 46,746,591 | 40,276,693 |
| Cost of sales | | <u>44,704,674</u> | <u>40,906,447</u> |
| GROSS PROFIT/(LOSS) | | 2,041,917 | (629,754) |
| Administrative expenses | | <u>162,108</u> | <u>158,905</u> |
| | | 1,879,809 | (788,659) |
| Other operating income | | <u>12,113</u> | <u>69,937</u> |
| OPERATING PROFIT/(LOSS) | 3 | 1,891,922 | (718,722) |
| Interest receivable and similar income | | <u>5,157</u> | <u>226</u> |
| | | 1,897,079 | (718,496) |
| Interest payable and similar charges | 4 | <u>-</u> | <u>4,362</u> |
| PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION | | 1,897,079 | (722,858) |
| Tax on profit/(loss) on ordinary activities | 5 | <u>254,092</u> | <u>-</u> |
| PROFIT/(LOSS) FOR THE FINANCIAL YEAR | | <u>1,642,987</u> | <u>(722,858)</u> |

The notes form part of these financial statements

Souk Management Limited (Registered number: 04507284)

Other Comprehensive Income
for the Year Ended 31 December 2015

| | Notes | 2015 £ | 2014 £ |
|--|-------|------------------|------------------|
| PROFIT/(LOSS) FOR THE YEAR | | 1,642,987 | (722,858) |
| OTHER COMPREHENSIVE INCOME | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 1,642,987 | (722,858) |

The notes form part of these financial statements

Souk Management Limited (Registered number: 04507284)

Balance Sheet
31 December 2015

| | Notes | 2015 £ | 2014 £ |
|--|-------|------------|------------|
| FIXED ASSETS | | | |
| Tangible assets | 6 | 572 | 1,142 |
| CURRENT ASSETS | | | |
| Debtors | 7 | 737,243 | 438,490 |
| Investments | 8 | 49,456,526 | 37,296,096 |
| Cash at bank | | 191,180 | 352,781 |
| | | 50,384,949 | 38,087,367 |
| CREDITORS | | | |
| Amounts falling due within one year | 9 | 48,050,830 | 37,396,805 |
| NET CURRENT ASSETS | | 2,334,119 | 690,562 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 2,334,691 | 691,704 |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 11 | 100 | 100 |
| Retained earnings | 12 | 2,334,591 | 691,604 |
| SHAREHOLDERS' FUNDS | | 2,334,691 | 691,704 |

The financial statements were approved by the Board of Directors on 11th Aug 2016 and were signed on its behalf by:



Salim F Suterwalla - Director

The notes form part of these financial statements

Souk Management Limited (Registered number: 04507284)

Statement of Changes in Equity
for the Year Ended 31 December 2015

| | Called up share capital £ | Retained earnings £ | Total equity £ |
|------------------------------------|--|------------------------------------|-------------------------------|
| Balance at 1 January 2014 | 100 | 1,414,462 | 1,414,562 |
| Changes in equity | | | |
| Total comprehensive income | - | (722,858) | (722,858) |
| Balance at 31 December 2014 | 100 | 691,604 | 691,704 |
| Changes in equity | | | |
| Total comprehensive income | - | 1,642,987 | 1,642,987 |
| Balance at 31 December 2015 | 100 | 2,334,591 | 2,334,691 |

The notes form part of these financial statements

Souk Management Limited (Registered number: 04507284)

Cash Flow Statement
for the Year Ended 31 December 2015

| | | 2015 | 2014 |
|---|-------|-----------------------|-----------------------|
| | Notes | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 1,163,225 | 3,861,642 |
| Interest paid | | - | (4,362) |
| Tax paid | | - | (163,234) |
| Net cash from operating activities | | <u>1,163,225</u> | <u>3,694,046</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | - | (1,710) |
| Purchase of structured notes and bonds | | (11,518,363) | (16,016,675) |
| Interest received | | <u>5,157</u> | <u>226</u> |
| Net cash from investing activities | | <u>(11,513,206)</u> | <u>(16,018,159)</u> |
| Cash flows from financing activities | | | |
| New loans in year | | <u>10,188,376</u> | <u>12,390,020</u> |
| Net cash from financing activities | | <u>10,188,376</u> | <u>12,390,020</u> |
| (Decrease)/increase in cash and cash equivalents | | <u>(161,605)</u> | <u>65,907</u> |
| Cash and cash equivalents at beginning of year | 2 | <u>352,775</u> | <u>286,868</u> |
| Cash and cash equivalents at end of year | 2 | <u><u>191,170</u></u> | <u><u>352,775</u></u> |

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2015

1. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

| | 2015 | 2014 |
|---------------------------------------|------------------|------------------|
| | £ | £ |
| Profit/(loss) before taxation | 1,897,079 | (722,858) |
| Depreciation charges | 570 | 570 |
| Revaluation to Notes under FRS102 | (642,067) | 642,067 |
| Finance costs | - | 4,362 |
| Finance income | (5,157) | (226) |
| | <u>1,250,425</u> | <u>(76,085)</u> |
| Increase in trade and other debtors | (298,753) | (164,665) |
| Increase in trade and other creditors | 211,553 | 4,102,392 |
| | <u>1,163,225</u> | <u>3,861,642</u> |

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2015

| | 31.12.15 | 1.1.15 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Cash and cash equivalents | 191,180 | 352,781 |
| Bank overdrafts | (10) | (6) |
| | <u>191,170</u> | <u>352,775</u> |

Year ended 31 December 2014

| | 31.12.14 | 1.1.14 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Cash and cash equivalents | 352,781 | 286,879 |
| Bank overdrafts | (6) | (11) |
| | <u>352,775</u> | <u>286,868</u> |

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2015

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover arises from trading in fixed income, equity and foreign exchange instruments on international financial exchanges. The company does not follow a formal hedge accounting policy. Turnover incorporates the underlying value of the contracts such as futures and options. On that premise, the company's turnover is the sum of the gross value of traded instruments and physical value of assets bought and sold. This is in compliance with the FRS 102.

Tangible 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:

| | | |
|---------------------|---|-------------------|
| Fixtures & Fittings | - | 15% Straight line |
| Computer Equipment | - | 33% on Cost |

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Structured notes, bonds and future contracts

All the structured notes, bonds and future contracts are booked at gross values in the profit and loss account. Future are traded for individual directional exposure as well as to hedge foreign exchange.

Financial instruments such as structured notes, bonds and futures contracts generate income from both interest coupons and asset price revaluation. Amounts booked to the profit and loss account include coupon since purchase date as well as the current market price revaluation differential.

Financial instruments

Financial assets such as cash and debtors are measured at the present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

1. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

2. STAFF COSTS

| | 2015 | 2014 |
|-----------------------|----------------------|----------------------|
| | £ | £ |
| Wages and salaries | 52,369 | 48,000 |
| Social security costs | 4,108 | 3,526 |
| | <u>56,477</u> | <u>51,526</u> |

The average monthly number of employees during the year was as follows:

| | 2015 | 2014 |
|------------|-----------------|-----------------|
| Management | <u>1</u> | <u>1</u> |

3. OPERATING PROFIT/(LOSS)

The operating profit (2014 - operating loss) is stated after charging:

| | 2015 | 2014 |
|-----------------------------|----------------------|----------------------|
| | £ | £ |
| Depreciation - owned assets | 570 | 570 |
| Auditors' remuneration | 3,000 | 3,000 |
| Other non- audit services | 4,800 | 4,800 |
| Operating lease costs | 11,044 | 2,493 |
| | <u>19,414</u> | <u>10,863</u> |
| Directors' remuneration | <u>52,369</u> | <u>48,000</u> |

4. INTEREST PAYABLE AND SIMILAR CHARGES

| | 2015 | 2014 |
|---------------|-----------------|---------------------|
| | £ | £ |
| Bank interest | <u>-</u> | <u>4,362</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

| | 2015 | 2014 |
|---|----------------|-------------|
| | £ | £ |
| Current tax: | | |
| UK corporation tax | 254,092 | - |
| | <hr/> | <hr/> |
| Tax on profit/(loss) on ordinary activities | 254,092 | - |
| | <hr/> | <hr/> |

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

| | 2015 | 2014 |
|--|------------------|------------------|
| | £ | £ |
| Profit/(loss) on ordinary activities before tax | 1,897,079 | (722,858) |
| | <hr/> | <hr/> |
| Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.250% (2014 - 0%) | 384,158 | - |
| Effects of: | | |
| Expenses not deductible for tax purposes | 30 | - |
| Depreciation in excess of capital allowances | 115 | - |
| Adjustments to tax charge in respect of previous periods | (192) | - |
| Tax adjustment under FRS 102 | (130,019) | - |
| | <hr/> | <hr/> |
| Total tax charge | 254,092 | - |
| | <hr/> | <hr/> |

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

6. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ | Computer equipment £ | Totals £ |
|---|--|-------------------------------------|---------------------|
| COST | | | |
| At 1 January 2015 and 31 December 2015 | <u>267</u> | <u>5,886</u> | <u>6,153</u> |
| DEPRECIATION | | | |
| At 1 January 2015 | 266 | 4,745 | 5,011 |
| Charge for year | - | 570 | 570 |
| At 31 December 2015 | <u>266</u> | <u>5,315</u> | <u>5,581</u> |
| NET BOOK VALUE | | | |
| At 31 December 2015 | <u>1</u> | <u>571</u> | <u>572</u> |
| At 31 December 2014 | <u>1</u> | <u>1,141</u> | <u>1,142</u> |

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2015 £ | 2014 £ |
|--------------------------------|-------------------|-------------------|
| Other debtors | 4,072 | - |
| Sundry | 2,877 | 6,381 |
| Prepayments and accrued income | <u>730,294</u> | <u>432,109</u> |
| | <u>737,243</u> | <u>438,490</u> |

8. CURRENT ASSET INVESTMENTS

| | 2015 £ | 2014 £ |
|--|-------------------|-------------------|
| Call Deposit account | 899,059 | 324,485 |
| Structured notes & Investment bonds | <u>48,557,467</u> | <u>36,971,611</u> |
| | <u>49,456,526</u> | <u>37,296,096</u> |

All equity, fixed income and investment bonds are shown at market value as at the balance sheet date. All the structured products are previously shown at redeemable value, now shown at fair value.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2015 | 2014 |
|---|-------------------|-------------------|
| | £ | £ |
| Bank loans and overdrafts (see note 10) | 10 | 6 |
| Other loans (see note 10) | 38,840,673 | 28,652,297 |
| Trade creditors | 1 | - |
| Tax | 254,092 | - |
| Social security and other taxes | 1,099 | - |
| Other creditors | 8,944,521 | 8,724,044 |
| Accrued expenses | 10,434 | 20,458 |
| | <u>48,050,830</u> | <u>37,396,805</u> |

Other loans represent time loan advanced to cover the additional funds required to finance positions in financial instruments.

10. LOANS

An analysis of the maturity of loans is given below:

| | 2015 | 2014 |
|---|-------------------|-------------------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank overdrafts | 10 | 6 |
| Time loan | 38,840,673 | 28,652,297 |
| | <u>38,840,683</u> | <u>28,652,303</u> |

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2015 | 2014 |
|---------|------------------------|----------------|------------|------------|
| | | | £ | £ |
| 100 | Ordinary share capital | 1 | <u>100</u> | <u>100</u> |

12. RESERVES

| | Retained earnings |
|---------------------|-------------------|
| | £ |
| At 1 January 2015 | 691,604 |
| Profit for the year | <u>1,642,987</u> |
| At 31 December 2015 | <u>2,334,591</u> |

13. CONTROLLING PARTY

The Director, Mr Salim F Suterwalla, is controlling party by virtue of his shareholdings throughout the current and previous year.

14. FIRST YEAR ADOPTION

Director's taken a view to disclose the loan more than one to less than one year and no interest had been charged on the loan.

Souk Management Limited (Registered number: 04507284)

Reconciliation of Equity

1 January 2014

(Date of Transition to FRS 102)

| | Notes | UK GAAP £ | Effect of transition to FRS 102 £ | FRS 102 £ |
|--|-------|-----------------|--|--------------|
| FIXED ASSETS | | | | |
| Tangible assets | | 2 | - | 2 |
| CURRENT ASSETS | | | | |
| Debtors | | 1,949 | - | 1,949 |
| Investments | | 21,921,488 | - | 21,921,488 |
| Prepayments and accrued income | | 271,876 | - | 271,876 |
| Cash at bank | | 286,879 | - | 286,879 |
| | | 22,482,192 | - | 22,482,192 |
| CREDITORS | | | | |
| Amounts falling due within one year | | (16,561,275) | (4,506,357) | (21,067,632) |
| NET CURRENT ASSETS | | | | |
| | | 5,920,917 | (4,506,357) | 1,414,560 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | | |
| | | 5,920,919 | (4,506,357) | 1,414,562 |
| CREDITORS | | | | |
| Amounts falling due after more than one year | | (4,506,357) | 4,506,357 | - |
| NET ASSETS | | | | |
| | | 1,414,562 | - | 1,414,562 |
| CAPITAL AND RESERVES | | | | |
| Called up share capital | | 100 | - | 100 |
| Retained earnings | | 1,414,462 | - | 1,414,462 |
| SHAREHOLDERS' FUNDS | | | | |
| | | 1,414,562 | - | 1,414,562 |

The notes form part of these financial statements

Reconciliation of Equity - continued
31 December 2014

| | Notes | UK GAAP £ | Effect of transition to FRS 102 £ | FRS 102 £ |
|--|-------|-----------------|--|--------------|
| FIXED ASSETS | | | | |
| Tangible assets | | 1,142 | - | 1,142 |
| CURRENT ASSETS | | | | |
| Debtors | | 438,490 | - | 438,490 |
| Investments | | 37,938,163 | (642,067) | 37,296,096 |
| Cash at bank | | 352,781 | - | 352,781 |
| | | 38,729,434 | (642,067) | 38,087,367 |
| CREDITORS | | | | |
| Amounts falling due within one year | | (28,819,566) | (8,577,239) | (37,396,805) |
| NET CURRENT ASSETS | | 9,909,868 | (9,219,306) | 690,562 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 9,911,010 | (9,219,306) | 691,704 |
| CREDITORS | | | | |
| Amounts falling due after more than one year | | (8,577,239) | 8,577,239 | - |
| NET ASSETS | | 1,333,771 | (642,067) | 691,704 |
| CAPITAL AND RESERVES | | | | |
| Called up share capital | | 100 | - | 100 |
| Retained earnings | | 1,333,671 | (642,067) | 691,604 |
| SHAREHOLDERS' FUNDS | | 1,333,771 | (642,067) | 691,704 |

Notes to the reconciliation of equity

Due to application of FRS102 section 11 all the financial instruments strictly to be valued at market. Previously, they were valued at par, as they are redeemable at par at the expiry date.

Reconciliation of Loss
for the Year Ended 31 December 2014

| | UK GAAP £ | Effect of transition to FRS 102 £ | FRS 102 £ |
|--|--------------------------|--|----------------------|
| TURNOVER | 40,276,693 | - | 40,276,693 |
| Cost of sales | (40,264,380) | (642,067) | (40,906,447) |
| GROSS PROFIT/(LOSS) | 12,313 | (642,067) | (629,754) |
| Administrative expenses | (158,905) | - | (158,905) |
| Other operating income | 69,937 | - | 69,937 |
| OPERATING LOSS | (76,655) | (642,067) | (718,722) |
| Interest receivable and similar income | 226 | - | 226 |
| Interest payable and similar charges | (4,362) | - | (4,362) |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | (80,791) | (642,067) | (722,858) |
| Tax on loss on ordinary activities | - | - | - |
| LOSS FOR THE FINANCIAL YEAR | (80,791) | (642,067) | (722,858) |