

COMPANY REGISTRATION NUMBER 05774225

**OVALGATE LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2012**



**Harrisons**  
**Chartered Accountants**

**OVALGATE LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

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**OVALGATE LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 31 DECEMBER 2012**

The directors present their report and the financial statements of the company for the year ended 31 December 2012

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year continued to be the holding of freehold commercial property in Italy, and the letting thereof

**DIRECTORS**

The directors who served the company during the year were as follows

D J Bull  
N Fanelli

**AUDITOR**

Harrisons are deemed to be re-appointed under section 487(2) of the Companies Act 2006

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office  
Fore Royal  
Gorley Road  
Ringwood  
Hampshire  
BH24 3LD

Signed by order of the directors



CHRISTIE IRESON  
Company Secretary

Approved by the directors on 23 September 2013

**OVALGATE LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**YEAR ENDED 31 DECEMBER 2012**

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 year.

In preparing those 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **OVALGATE LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF OVALGATE LIMITED**

#### **YEAR ENDED 31 DECEMBER 2012**

We have audited the financial statements of Ovalgate Limited for the year ended 31 December 2012 on pages 5 to 12. 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 shareholder, 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 shareholder 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 shareholder 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 Directors' Responsibilities Statement set out on page 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 (APB'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 annual 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.

#### **BASIS FOR QUALIFIED OPINION ON FINANCIAL STATEMENTS**

With respect to the freehold investment property having a carrying value of €168,066 the audit evidence available to us was limited. Whilst proof of ownership of the freehold investment property was obtained as at 14 September 2012, no similar evidence was available as at 31 December 2012. Accordingly we have been unable to obtain sufficient appropriate audit evidence to support the ownership of the company's freehold investment property at the balance sheet date.

# **OVALGATE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF OVALGATE LIMITED (continued)**

**YEAR ENDED 31 DECEMBER 2012**

### **QUALIFIED OPINION ON FINANCIAL STATEMENTS**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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 MATTERS 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

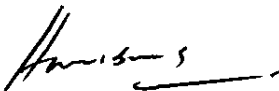
### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In respect solely of the limitation on our work relating to the ownership of the freehold investment property, described above, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit

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
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report

4 Brackley Close  
Bournemouth International Airport  
Christchurch  
Dorset  
BH23 6SE  
**26 SEP 2013**

  
N DEPPER FCA (Senior Statutory  
Auditor)  
For and on behalf of  
HARRISONS  
Chartered Accountants  
& Statutory Auditor

**OVALGATE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2012**

	Note	2012 €	2011 €
<b>TURNOVER</b>	<b>2</b>	<b>7,200</b>	<b>7,200</b>
Administrative expenses		<u><b>5,938</b></u>	<u>15,761</u>
<b>OPERATING PROFIT/(LOSS)</b>	<b>3</b>	<b>1,262</b>	<b>(8,561)</b>
Interest payable and similar charges	<b>5</b>	—	1
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u><b>1,262</b></u>	<u>(8,562)</u>
Tax on profit/(loss) on ordinary activities	<b>6</b>	<b>1,068</b>	—
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<u><b>194</b></u>	<u>(8,562)</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the  
year as set out above

The notes on pages 7 to 12 form part of these financial statements


# OVALGATE LIMITED

## BALANCE SHEET

31 DECEMBER 2012

	Note	2012 €	2011 €
<b>FIXED ASSETS</b>			
Tangible assets	7	<u>168,066</u>	<u>168,066</u>
<b>CURRENT ASSETS</b>			
Cash at bank		12,281	2,378
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>4,579</u>	<u>8,370</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>7,702</u>	<u>(5,992)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>175,768</u>	<u>162,074</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	10	218,500	205,000
Profit and loss account	11	<u>(42,732)</u>	<u>(42,926)</u>
<b>SHAREHOLDER'S FUNDS</b>	12	<u>175,768</u>	<u>162,074</u>

These financial statements were approved by the directors and authorised for issue on 23 September 2013, and are signed on their behalf by

  
DJ BULL  
Director

Company Registration Number 05774225

The notes on pages 7 to 12 form part of these financial statements



**OVALGATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

**Turnover**

Turnover represents gross rents receivable from tenants of the company's freehold investment property, exclusive of value added tax

**Fixed assets**

All fixed assets are initially recorded at cost

**Investment properties**

The company's freehold investment property is held for long term investment. The investment property is accounted for in accordance with Statement of Standard Accounting Policy No 19 as follows

The freehold investment property is revalued by the directors annually on the basis of Open Market Value. The surplus or deficit on revaluation is transferred to a revaluation reserve unless a deficit, or its reversal, is expected to be permanent in which case it is recognised in the profit and loss account for that period

Investment properties are exempted from depreciation under Financial Reporting Standard No 15 and although the Companies Act would normally require the systematic annual depreciation of fixed assets, the directors believe that the policy of not providing for depreciation is necessary in order for the financial statements to give a true and fair view since the current value of the investment property and any change to that current value are of prime importance rather than a calculation of systematic annual depreciation

Depreciation is one of many factors reflected in the annual valuation and the amount which might otherwise have been included cannot be separately identified nor quantified

**OVALGATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**1. ACCOUNTING POLICIES** *(continued)*

**Deferred taxation**

Deferred tax is recognised, where the amounts involved are considered by the directors to be material, in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

**Foreign currencies**

The financial statements are prepared in Euro

Assets and liabilities denominated in other currencies are translated into Euro at the rates of exchange ruling at the balance sheet date. Transactions denominated in other currencies are translated into Euro at the rates of exchange ruling at the date of the transactions. Exchange differences are taken into account in arriving at the operating profit/(loss)

**OVALGATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**1. ACCOUNTING POLICIES** *(continued)*

**Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**2. TURNOVER**

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover is given below.

	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>
Overseas	<b><u>7,200</u></b>	<b><u>7,200</u></b>

**3. OPERATING PROFIT/(LOSS)**

Operating profit/(loss) is stated after charging

	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>
Directors' remuneration	—	—
Auditor's remuneration		
- as auditor	<b>1,894</b>	<b>2,071</b>
Net loss on foreign currency translation	<b><u>353</u></b>	<b><u>80</u></b>

**4. PARTICULARS OF EMPLOYEES**

The directors, who are the only employees, received no remuneration in the current or previous years.

**OVALGATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

	2012	2011
	€	€
Interest payable on bank borrowing	<u>-</u>	<u>1</u>

**6. TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	2012	2011
	€	€
<b>Foreign tax</b>		
Current tax on income for the year	2,697	-
Adjustments in respect of prior periods	<u>(1,629)</u>	<u>-</u>
	<u>1,068</u>	<u>-</u>
Total current tax	<u>1,068</u>	<u>-</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit/(loss) on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 24.50% (2011 - 26.49%)

	2012	2011
	€	€
Profit/(loss) on ordinary activities before taxation	<u>1,262</u>	<u>(8,562)</u>
Profit/(loss) on ordinary activities by rate of tax	309	(2,268)
Utilisation of tax losses	(309)	-
Unrelieved tax losses	-	2,268
Adjustments to tax charge in respect of previous periods	(1,629)	-
Foreign tax	<u>2,697</u>	<u>-</u>
Total current tax (note 6(a))	<u>1,068</u>	<u>-</u>

**OVALGATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**7. TANGIBLE FIXED ASSETS**

	Freehold Investment Property €
<b>COST</b>	
At 1 January 2012 and 31 December 2012	<u>168,066</u>
<b>DEPRECIATION</b>	
At 1 January 2012 and 31 December 2012	<u>-</u>
<b>NET BOOK VALUE</b>	
At 31 December 2012	<u>168,066</u>
At 31 December 2011	<u>168,066</u>

The freehold investment property was valued on an open market basis by the directors as at 31 December 2012, and it was considered that this remained equal to historical cost

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

	2012 €	2011 €
Other taxation	<u>2,697</u>	1,629
Accruals and deferred income	<u>1,882</u>	6,741
	<u>4,579</u>	<u>8,370</u>

**9. RELATED PARTY TRANSACTIONS**

Consultancy And Advisory Bureau Limited is considered to be under common control within the definition of Financial Reporting Standard No 8 by virtue of common directorships. It provided company secretarial, management and consultancy services to Ovalgate Limited. The total amount charged to the company during the year ended 31 December 2012 was €5,404 (2011 €5,069). The amount owing to Consultancy And Advisory Bureau Limited at 31 December 2012 was €Nil (2011 €2,650).

**10. SHARE CAPITAL**

**Allotted, called up and fully paid:**

	2012 No	€	2011 No	€
1 Ordinary £1 shares of £1 each	1	1	1	1
218,499 Ordinary €1 shares (2011 - 204,999) of €1 each	<u>218,499</u>	<u>218,499</u>	<u>204,999</u>	<u>204,999</u>
	<u>218,500</u>	<u>218,500</u>	<u>205,000</u>	<u>205,000</u>

On 19 March 2012 a further 6,000 shares of €1 each were issued at par and on 23 November 2012 a further 7,500 shares of €1 each were issued at par. In both cases the purpose of the issue of the shares was to provide working capital for the company.

**OVALGATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**11. PROFIT AND LOSS ACCOUNT**

	2012	2011
	€	€
Balance brought forward	(42,926)	(34,364)
Profit/(loss) for the financial year	<u>194</u>	<u>(8,562)</u>
Balance carried forward	<u>(42,732)</u>	<u>(42,926)</u>

**12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**

	2012	2011
	€	€
Profit/(loss) for the financial year	194	(8,562)
New ordinary share capital subscribed	<u>13,500</u>	<u>—</u>
Net addition/(reduction) to shareholder's funds	13,694	(8,562)
Opening shareholder's funds	<u>162,074</u>	<u>170,636</u>
Closing shareholder's funds	<u>175,768</u>	<u>162,074</u>

**13. ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of Parkervale Limited, a company registered in New Zealand, and the directors regard this company to be the immediate holding company of Ovalgate Limited

Parkervale Limited is owned by The Gema Trust, which is based in New Zealand