

COMPANY REGISTRATION NUMBER 05774225

OVALGATE LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2013

Harrisons
Chartered Accountants

FRIDAY



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OVALGATE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

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OVALGATE LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2013

The directors present their report and the financial statements of the company for the year ended 31 December 2013.

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.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

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 19 September 2014

OVALGATE LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 31 DECEMBER 2013

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 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.

OVALGATE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF OVALGATE LIMITED

YEAR ENDED 31 DECEMBER 2013

We have audited the financial statements of Ovalgate Limited for the year ended 31 December 2013 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 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 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 2013 and of its loss 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OVALGATE LIMITED

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

YEAR ENDED 31 DECEMBER 2013

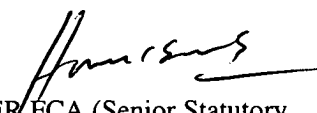
MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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 director was 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.

4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

23 SEP 2014


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 2013

	Note	2013 €	2012 €
TURNOVER	2	7,200	7,200
Administrative expenses		<u>15,352</u>	<u>5,938</u>
OPERATING (LOSS)/PROFIT	3	(8,152)	1,262
Interest receivable	5	1	–
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(8,151)</u>	<u>1,262</u>
Tax on (loss)/profit on ordinary activities	6	(855)	1,068
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(7,296)</u>	<u>194</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 2013

	Note	2013 €	2012 €
FIXED ASSETS			
Tangible assets	7	168,066	<u>168,066</u>
CURRENT ASSETS			
Cash at bank		2,386	12,281
CREDITORS: Amounts falling due within one year	8	<u>1,980</u>	<u>4,579</u>
NET CURRENT ASSETS		<u>406</u>	<u>7,702</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>168,472</u>	<u>175,768</u>
CAPITAL AND RESERVES			
Called-up equity share capital	10	218,500	218,500
Profit and loss account	11	<u>(50,028)</u>	<u>(42,732)</u>
SHAREHOLDER'S FUNDS	12	<u>168,472</u>	<u>175,768</u>

These accounts were approved by the directors and authorised for issue on 19 September 2014, and are signed on their behalf by:


D J 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 2013

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 has satisfied the conditions exempting it as small under the Companies Act 2006.

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 2013

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).

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.

OVALGATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES *(continued)*

Going concern

The financial statements have been prepared on a going concern basis despite there being net current assets of only €406 as at 31 December 2013. The directors are confident that should they continue to encounter difficulties in collecting the rental income due from the company's freehold investment property, further injections of funds will be provided by the immediate parent company in order to provide working capital.

Also, the main overhead of the company continues to be the company secretarial, management and consulting services provided by Consultancy And Advisory Bureau Limited which has confirmed that it will continue to provide these services. Accordingly, the directors consider the going concern to be appropriate.

2. TURNOVER

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

	2013	2012
	€	€
European Union	<u>7,200</u>	<u>7,200</u>

3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2013	2012
	€	€
Directors' remuneration	-	-
Auditor's remuneration		
- as auditor	2,007	1,894
Net loss on foreign currency translation	<u>13</u>	<u>353</u>

4. PARTICULARS OF EMPLOYEES

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

5. INTEREST RECEIVABLE

	2013	2012
	€	€
Bank interest receivable	<u>1</u>	<u>-</u>

OVALGATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013 €	2012 €
Foreign tax		
Current tax on income for the year	994	2,697
Adjustments in respect of prior periods	<u>(1,849)</u>	<u>(1,629)</u>
	<u>(855)</u>	<u>1,068</u>
Total current tax	<u>(855)</u>	<u>1,068</u>

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 23.25% (2012 - 24.50%).

	2013 €	2012 €
(Loss)/profit on ordinary activities before taxation	<u>(8,151)</u>	<u>1,262</u>
(Loss)/profit on ordinary activities by rate of tax	(1,895)	309
Utilisation of tax losses	-	(309)
Unrelieved tax losses	1,895	-
Adjustments to tax charge in respect of previous periods	<u>(1,849)</u>	<u>(1,629)</u>
Foreign tax	<u>994</u>	<u>2,697</u>
Total current tax (note 6(a))	<u>(855)</u>	<u>1,068</u>

7. TANGIBLE FIXED ASSETS

	Freehold Investment Property €
COST	
At 1 January 2013 and 31 December 2013	<u>168,066</u>
DEPRECIATION	
At 1 January 2013 and 31 December 2013	<u>-</u>
NET BOOK VALUE	
At 31 December 2013	<u>168,066</u>
At 31 December 2012	<u>168,066</u>

The freehold investment property was valued on an open market basis by the directors as at 31 December 2013, and it was considered that this remained equal to historical cost.

OVALGATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

8. CREDITORS: Amounts falling due within one year

	2013	2012
	€	€
Other taxation	–	2,697
Accruals and deferred income	<u>1,980</u>	<u>1,882</u>
	<u>1,980</u>	<u>4,579</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 2013 was €5,294 (2012: €5,404). The amount owing to Consultancy And Advisory Bureau Limited at 31 December 2013 was €Nil (2012: €Nil).

10. SHARE CAPITAL

Allotted, called up and fully paid:

	2013		2012	
	No	€	No	€
1 Ordinary £1 share of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
218,499 Ordinary €1 shares of €1 each	<u>218,499</u>	<u>218,499</u>	<u>218,499</u>	<u>218,499</u>
	<u>218,500</u>	<u>218,500</u>	<u>218,500</u>	<u>218,500</u>

11. PROFIT AND LOSS ACCOUNT

	2013	2012
	€	€
Balance brought forward	(42,732)	(42,926)
(Loss)/profit for the financial year	<u>(7,296)</u>	<u>194</u>
Balance carried forward	<u>(50,028)</u>	<u>(42,732)</u>

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2013	2012
	€	€
(Loss)/profit for the financial year	(7,296)	194
New ordinary share capital subscribed	<u>–</u>	<u>13,500</u>
Net (reduction)/addition to shareholder's funds	<u>(7,296)</u>	<u>13,694</u>
Opening shareholder's funds	<u>175,768</u>	<u>162,074</u>
Closing shareholder's funds	<u>168,472</u>	<u>175,768</u>

OVALGATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

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.