

Company Registration No. 5860440 (England and Wales)

**BLAKEMERE PLC**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2014**

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## **BLAKEMERE PLC**

### **COMPANY INFORMATION**

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<b>Directors</b>	Mr Nasser Mohammed Al Suwardi	(Appointed 8 August 2013)
	Mr Saeed Al-Qubaisi	
	Mr Dev Shamaney	(Appointed 28 May 2014)
	Mr Dan Norris	(Appointed 5 August 2013)
	Mr M Suleman	
	Dr Nigel Griffiths	(Appointed 2 July 2014)
<b>Secretary</b>	Mr Peter Grant	
<b>Company number</b>	5860440	
<b>Registered office</b>	27 Old Gloucester Street London WC1N 3AX	
<b>Auditors</b>	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW	

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# **BLAKEMERE PLC**

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# **BLAKEMERE PLC**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 30 JUNE 2014**

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The directors present the strategic report and financial statements for the year ended 30 June 2014

#### **Review of the business**

During the prior year, the company acquired the business, assets and trade of Anderton Port Limited and Ceramic Decals Limited for a consideration of £912,522 settled by shares. The acquisition was to be traded through a company called William Edwards Limited, with the aim of servicing the UAE and wider Middle Eastern markets for decorated ceramic goods. William Edwards Limited defaulted on its contractual obligations to the company. Additionally, William Edwards Limited failed to take advantage of the market opportunities presented by Blakemere plc. The board now considers the acquisition to be non-performing and are looking to realise a return by a sale of the business and assets to either the existing management of William Edwards Limited or a suitable third party.

Blakemere plc acquired the shares in Darnmore Limited (Isle of Man) in 2013 which is the owner of Pt Darnmore Bayupermai Permai Industries (Indonesia). This latter company owns the rights to 168000ha of timber located in Indonesia. A comprehensive feasibility study over two years was conducted by Indufor Oy. Their final report was delivered in 2008. Indufor is one of the world's leading forestry project management companies. The audited accounts of Pt Darnmore Bayupermai Permai Industries at 31 December 2012 value the assets at circa USD\$890M. Blakemere plc is the beneficial owner of £5.7M of shares in Darnmore Limited (Isle of Man). The Blakemere plc board is confident that they will see a return on their investment in Darnmore Limited (Isle of Man) within a period of two to three years.

Blakemere plc has continued to forge strong links throughout the Middle East region in particular the UAE through the directorships of Mr Nasser Al-Suwaidi and Mr Saeed Al-Qubaisi.

The appointment of Mr Dev Shamaney gives the company access to market opportunities in the expanding economies within South East Asia.

The board identified a clear conflict of interest within Parker Lloyd Audit LLP and took immediate action by appointing UHY Hacker Young LLP as auditors to the company. The board now has the assurance that these accounts conform to all appropriate accounting standards.

The year has represented a period of challenge as a result of the non-performance of the acquisition. The board has worked hard to regroup and consolidate the company's focus with the goal of strengthening both the business operating model and balance sheet enabling the company to look to a productive FY2015.

# **BLAKEMERE PLC**

## **STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2014**

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### **Principal risk and uncertainties**

#### William Edwards Limited

The acquisition is non-performing. Whilst the board will aim to recover value, either via a sale to the current management or to a third party, this option may not be possible and the company would have to accept additional write-downs. The board is actively exploring options for re-purpose or re-use of the assets as a going-concern. To date approximately £40,000 has expended in legal and professional fees, which may or may not be recoverable.

#### Darnmore Investment

The Darnmore Limited (Isle of Man) investment is reliant upon the ability of Pt Darnmore Bayupermai Industries to conduct forestry operations over its concession in Indonesia. This is subject to a continuing stable political environment within region, which the country is actively engaged in creating. The outlook for business is positive as evidenced by the recent ratings given by Moody's (Baa3) and S&P (BB+).

Blakemere plc is confident in the ability of Darnmore Limited (Isle of Man) to avoid reputational risk arising from unethical or ecologically unsound practices because of Darnmore Limited (Isle of Man) adoption and implementation of ISO 26000. We are satisfied that the extraction plan in conjunction with the work undertaken by Indufor Oy addresses any additional environmental and ethical concerns. We have been informed that Darnmore Limited (Isle of Man) will appoint a suitable ecological and ethical advisor to manage risk.

### **Development and performance**

The board has identified a number of market opportunities which it will be looking to complete during 2015. The addition of Mr Nigel Griffiths (former Minister of State at the DTI and former Member of Parliament 1987-2010) has further strengthened the board of Blakemere. Mr Griffiths' experience in government and his knowledge of UK business and industry has brought a number of opportunities for UK based businesses to our attention. These will be evaluated and pursued as appropriate and in-line with the company's business model.

On behalf of the board



Mr M Suleman

**Director**

29 January 2015

## **BLAKEMERE PLC**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 30 JUNE 2014**

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The directors present their report and financial statements for the year ended 30 June 2014

#### **Results and dividends**

The results for the year are set out on page 8

#### **Directors**

The following directors have held office since 1 July 2013

Mr Nasser Mohammed Al Suwaidi	(Appointed 8 August 2013)
Mr Saeed Al-Qubaisi	
Mr Dev Shamaney	(Appointed 28 May 2014)
Mr Rahul Mehta	(Appointed 5 February 2014 and resigned 7 July 2014)
Mr Dan Norris	(Appointed 5 August 2013)
Mr M Suleman	
Dr Nigel Griffiths	(Appointed 2 July 2014)
Mr Simon Collins	(Resigned 4 February 2014)
Mr William Edwards	(Resigned 7 February 2014)
Mr John Halfright	(Resigned 2 December 2014)
Mrs Brinde Shar Dean Collins	(Appointed 5 August 2013 and resigned 4 February 2014)

#### **Auditors**

UHY Hacker Young were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

## **BLAKEMERE PLC**

### **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2014**

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#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, 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

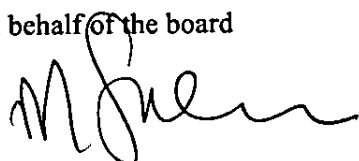
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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



Mr M Suleman

**Director**

29 January 2015

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**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF BLAKEMERE PLC**

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We have audited the financial statements of Blakemere plc for the year ended 30 June 2014 set out on pages 8 to 16. 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 3 - 4, 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**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

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**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
**TO THE MEMBERS OF BLAKEMERE PLC**

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**Basis of qualified opinion on the financial statements**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. The evidence available to us was limited because we were unable to obtain sufficient evidence to support the carrying value of investments in the financial statements.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Qualified opinion on financial statements**

In our opinion, except for the 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 30 June 2014 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**TO THE MEMBERS OF BLAKEMERE PLC**

**Matters on which we are required to report by exception**

In respect solely of the limitation on our work referred to above

- we have not obtained all the information and explanations that we considered necessary with regard to a current and independent valuation of the investment

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

- 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

**Other matter**

The financial statements of the company as at 30 June 2013, were audited by another auditor whose report expressed an unqualified opinion on those statements on 14 August 2013. The previous auditor's informed us on 14 January 2015 that they are reconsidering their audit opinion.



**Vinodkumar Vadgama (Senior Statutory Auditor)**  
for and on behalf of UHY Hacker Young

30 January 2015

**Chartered Accountants**  
**Statutory Auditor**

**BLAKEMERE PLC****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 JUNE 2014**

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	Notes	2014 £	2013 £
Turnover	2	159,000	-
Administrative expenses		(103,751)	(5,014)
Operating profit/(loss)	3	55,249	(5,014)
Impairment of investments		(603,322)	-
		(603,322)	-
Loss on ordinary activities before taxation		(548,073)	(5,014)
Tax on loss on ordinary activities	4	(11,050)	-
Loss for the year	10	(559,123)	(5,014)

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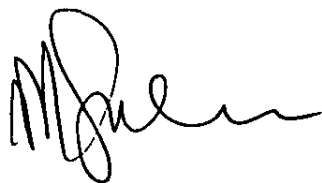
The profit and loss account has been prepared on the basis that all operations are continuing operations

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

**BLAKEMERE PLC****BALANCE SHEET****AS AT 30 JUNE 2014**

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	5	309,200		-	
Investments	6	10,680,000		10,680,000	
		<u>10,989,200</u>		<u>10,680,000</u>	
<b>Current assets</b>					
Debtors	7	152,151		-	
Cash at bank and in hand		545		-	
		<u>152,696</u>		<u>-</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(1,706,033)</u>		<u>(5,705,014)</u>	
<b>Net current liabilities</b>			<u>(1,553,337)</u>		<u>(5,705,014)</u>
<b>Total assets less current liabilities</b>			<u>9,435,863</u>		<u>4,974,986</u>
<b>Capital and reserves</b>					
Called up share capital	9	10,000,000		4,980,000	
Profit and loss account	10	(564,137)		(5,014)	
<b>Shareholders' funds</b>	11	<u>9,435,863</u>		<u>4,974,986</u>	

Approved by the Board and authorised for issue on 29 January 2015

Mr M Suleman  
Director

Company Registration No. 5860440

**BLAKEMERE PLC****CASH FLOW STATEMENT****FOR THE YEAR ENDED 30 JUNE 2014**

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	Notes	£	2014 £	£	2013 £
Net cash (outflow)/inflow from operating activities	14		545		-
		<hr/>		<hr/>	
Net cash outflow before management of liquid resources and financing			<hr/> 545		<hr/> -
Increase in cash in the year	15, 16		<hr/> 545		<hr/> -
			<hr/>		<hr/>

# **BLAKEMERE PLC**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 30 JUNE 2014**

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#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and modified by the revaluation of investments

##### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

##### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

##### **1.4 Tangible fixed assets and depreciation**

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified

##### **1.5 Investments**

Fixed asset investments are stated at valuation

##### **1.6 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

#### **2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

**BLAKEMERE PLC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2014**

<b>3</b>	<b>Operating profit/(loss)</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Operating profit/(loss) is stated after charging		
	Fees payable to the company's auditor for the audit of the company's annual accounts	10,000	5,000
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Taxation</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	11,050	-
		<u>          </u>	<u>          </u>
	<b>Total current tax</b>	11,050	-
		<u>          </u>	<u>          </u>
	 <b>Factors affecting the tax charge for the year</b>		
	Loss on ordinary activities before taxation	(548,073)	(5,014)
		<u>          </u>	<u>          </u>
	 Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20 00% (2013 - 0%)	(109,615)	-
	Effects of		
	Non deductible expenses	120,665	-
		<u>          </u>	<u>          </u>
	<b>Current tax charge for the year</b>	11,050	-
		<u>          </u>	<u>          </u>

**BLAKEMERE PLC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2014****5 Tangible fixed assets**

	<b>Investment properties £</b>
<b>Cost</b>	
At 1 July 2013	-
Additions	309,200
At 30 June 2014	309,200
<b>Net book value</b>	
At 30 June 2014	309,200
At 30 June 2013	-

The investment property was acquired as part of the acquisition of trade and assets of Anderton Port Ltd, a UK resident company

The company acquired the assets and trade of Anderton Port Limited and Ceramic Decals Limited for a consideration of £912,552 settled by shares which includes the investment property. The board considers the acquisition to be non-performing and has subsequently impaired the investment by £603,322

**6 Fixed asset investments**

	<b>Unlisted investments £</b>
<b>Cost</b>	
At 1 July 2013 & at 30 June 2014	10,680,000
<b>Net book value</b>	
At 30 June 2014	10,680,000
At 30 June 2013	10,680,000

The above investment represents a shareholding of 1.2% in Darnmore Limited, a company resident in the Isle of Man. The investment was acquired in the previous year for £5,700,000 and re-valued by the directors by £4,980,000 at 30 June 2013.

**BLAKEMERE PLC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2014**

<b>7 Debtors</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade debtors	99,900	-
Other debtors	52,251	-
	<u>152,151</u>	<u>-</u>

<b>8 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	17,447	-
Corporation tax	11,050	-
Directors' current accounts	1,662,522	5,700,000
Accruals and deferred income	15,014	5,014
	<u>1,706,033</u>	<u>5,705,014</u>

<b>9 Share capital</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
10,000,000 Ordinary Shares of £1 each	<u>10,000,000</u>	<u>4,980,000</u>

In the period ended 30 June 2013 the company issued 4,930,000 shares which were settled from the revaluation reserve. During the year 5,020,000 Ordinary Shares were issued at par.

**10 Statement of movements on profit and loss account**

	<b>Profit and loss account £</b>
Balance at 1 July 2013	(5,014)
Loss for the year	(559,123)
Balance at 30 June 2014	<u>(564,137)</u>

**BLAKEMERE PLC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2014**

<b>11 Reconciliation of movements in Shareholders' funds</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Loss for the financial year	(559,123)	(5,014)
Proceeds from issue of shares	5,020,000	4,980,000
Net addition to shareholders' funds	4,460,877	4,974,986
Opening Shareholders' funds	4,974,986	-
Closing Shareholders' funds	9,435,863	4,974,986

**12 Employees****Number of employees**

There were no employees during the year apart from the directors

**13 Control**

The company is under the ultimate control of Mr M Suleman by virtue of his controlling shareholding in the company.

<b>14 Reconciliation of operating profit/(loss) to net cash outflow from operating activities</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating profit/(loss)	55,249	(5,014)
Increase in debtors	(152,151)	-
Increase in creditors within one year	97,447	5,014
Net cash inflow/(outflow) from operating activities	545	-

<b>15 Analysis of net funds/(debt)</b>	<b>1 July 2013</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>30 June 2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net cash				
Cash at bank and in hand	-	545	-	545
Net (debt)/funds	-	545	-	545

**BLAKEMERE PLC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2014**

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<b>16 Reconciliation of net cash flow to movement in net funds</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Increase in cash in the year	545	-
	<hr/>	<hr/>
<b>Movement in net funds in the year</b>	545	-
Opening net debt	-	-
	<hr/>	<hr/>
<b>Closing net funds</b>	545	-
	<hr/>	<hr/>

**17 Related party relationships and transactions**

The company acquired shares in Darnmore Limited (Isle of Man) from Mr M Suleman in 2013 for £5,700,000

The company made the acquisition of the business, assets and trade of Anderton Port Limited and Ceramic Decals Limited settling the consideration with shares previously held by Mr M Suleman in Darnmore Limited (Isle of Man)

On 2 July 2013 5,020,000 Ordinary Shares were issued at par to Mr M Suleman

During the year directors fees were paid to Mr S Collins of £12,950, Mr M Suleman of £26,081, Mr W Edwards of £6,015 and Mrs B Shar Dean Collins of £7,500

The Board confirms that the above transactions were all undertaken on an arms length and commercial basis

The company received a loan from Mr M Suleman The balance outstanding at the year end was £1,662,522 (2013 £5,700,000) The loan is unsecured and interest free