

Basil Street Advisers Limited

Annual Report and Unaudited Financial Statements

Year ended 31 December 2013

Company registration number
07366972 (England and Wales)



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Director and Advisers

Director	D Selvaratnam
Registered office	10 Norwich Street London EC4A 1BD
Registered number	07366972 (England and Wales)
Bankers	HSBC 94 Kensington High Street Kensington London W8 4SH
Solicitors and advisers	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT

Director's Report and Statement of Director's Responsibilities

For the year ended 31 December 2013

The director presents his report and unaudited financial statements of Basil Street Advisers Limited, (the "Company") for the year ended 31 December 2013

Principal activity

The principal activity of the Company was the provision of advisory services. The Company's Investment Advisory Agreement was terminated on 31 March 2012.

Strategic report

As the Company qualifies as "small" under the provisions of the Companies Act 2006, the Director has utilised the exemption under section 414(B) of the Companies Act 2006 so as not to prepare and include a strategic report in the annual report.

Review of business and future developments

A summary of the results for the year ended 31 December 2013 is given on page 4 of these financial statements. The director considers the results for the period to be in line with the Company's operational status.

As noted above, with effect from 31 March 2012, the Company's Investment Advisory Agreement with Olivant Limited was terminated and accordingly, the Company has terminated its employment agreements with its employees.

The director does not consider the Company to be a going concern as it is the intention to liquidate, strike off or otherwise wind up in due course. Accordingly, these financial statements are prepared on a break up basis.

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk and liquidity risk.

Credit risk

The Company's principal financial assets are bank balances, trade and other receivables.

The Company's credit risk is primarily attributable to its accrued income and other receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is considered to be limited because the counterparty is a bank with a high credit rating assigned by international credit rating agencies.

Liquidity risk

In order to maintain liquidity and to ensure that sufficient funds are available for meeting the working capital requirements, if any, the Company invests surplus cash in short-term bank deposits.

Director's Report and Statement of Director's Responsibilities

For the year ended 31 December 2013

Directors

The directors in office during the year and up to the date of signing the financial statements were as follows

	Appointed/resigned
L Arnold	Resigned 17 January 2013
D Selvaratnam	Appointed 2 December 2010

Statement of director's responsibilities

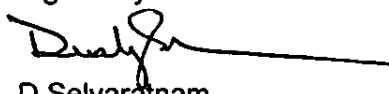
The director is responsible for preparing the director's report and financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the director must not approve the financial statements unless he is 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 director is required to

- ♦ select suitable accounting policies and then apply them consistently,
- ♦ make judgements and 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Signed by the director



D Selvaratnam

Date 6 October, 2014

Statement of Comprehensive Income
For the year ended 31 December 2013

	Note	Year ended 31 December 2013 £	Year ended 31 December 2012 £
Revenue			
Advisory fees	1	-	286,786
Expenses			
Wages and salaries		-	107,470
Director's salaries		-	77,500
Administrative support		(2,876)	6,250
Bonuses		-	31,900
Staff benefits		-	479
Premises costs			935
Travelling and entertaining		4,249	5,222
Printing, postage and stationery		-	1,210
Telephone		3,731	4,112
Computer costs			3,899
Audit and accountancy		307	5,066
Legal and professional		3,354	10,537
Consultancy fees		-	25,000
Bank charges		336	462
Data feeds		(1,433)	806
		(7,668)	(280,848)
(Loss)/profit before tax	2	(7,668)	5,938
Tax expense	4	(1,487)	(627)
Total comprehensive (expense)/income attributable to owners		(9,155)	5,311

All amounts relate to discontinuing activities

The notes on pages 8 to 15 form an integral part of these financial statements

Statement of Financial Position
As at 31 December 2013

	Note	2013 £	2012 £
ASSETS			
Current assets			
Trade and other receivables	5	88,421	677,528
Cash and cash equivalents	6	169,232	35,545
Total assets		257,653	713,073
EQUITY AND LIABILITIES			
Capital and reserves attributable to the shareholders of the Company			
Share capital	7	1,252	1,252
Share premium		3,748	3,748
Retained earnings	8	(776)	8,379
Total equity		4,224	13,379
Current liabilities			
Trade and other payables	9	253,430	699,694
Total liabilities		253,430	699,694
Total equity and liabilities		257,653	713,073

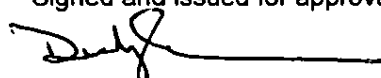
For the year ended 31 December 2013, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006

The director acknowledges his responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

Signed and issued for approval by the Director on 6 October 2014



D Selvaratnam
Director

Basil Street Advisers Limited
Company registration number: 07366972 (England and Wales)

The notes on pages 8 to 15 form an integral part of these financial statements

Statement of Changes in Equity
For the year ended 31 December 2013

	Share capital £	Share premium £	Retained earnings £	Total £
Changes in Equity				
At 1 January 2012	1,252	3,748	3,068	8,068
Profit for the year	-	-	5,311	5,311
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2012	1,252	3,748	8,379	13,379
Loss for the year	-	-	(9,155)	(9,155)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2013	1,252	3,748	(776)	4,224
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 8 to 15 form an integral part of these financial statements

Statement of Cash Flows
As at 31 December 2013

	Note	Year ended 31 December 2013 £	Year ended 31 December 2012 £
Cash flows from operating activities			
Net cash generated from/(used in) operations	10	133,687	(253,432)
Net increase/(decrease) in cash and cash equivalents		<u>133,687</u>	<u>(253,432)</u>
Cash and cash equivalents at beginning of year		35,545	288,977
Cash and cash equivalents at end of year		<u><u>169,232</u></u>	<u><u>35,545</u></u>

Notes to the Financial Statements
For the year ended 31 December 2013

1 General information and significant accounting policies

GENERAL INFORMATION

Basil Street Advisers Limited (the "Company") is a private limited company incorporated and domiciled in England and Wales under the Companies Act 2006. The address of the registered office is 10 Norwich Street, London, EC4A 1BD. The principal activity of the Company for the reporting period was the provision of advisory services.

SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with IFRS as adopted by the European Union and those parts of the Companies Act 2006 applicable to companies reporting under IFRSs.

Basis of preparation

The accounting policies set out below have been applied during the preparation of the financial statements.

As explained in the director's report, the director does not consider the Company to be a going concern, and therefore the director has prepared the financial statements on a break up basis. There has been no financial impairment of the Company's assets as a result of a break up basis of valuation.

Revenue

Revenue comprises the fair value of the consideration received or receivable for services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

The Company provided advisory services in accordance with its Investment Advisory Agreement with Olivant Limited. As noted in the Director's Report, the Company's Investment Advisory Agreement was terminated with effect from 31 March 2012.

Finance income

Finance income consists of bank interest. Interest income is accounted for on an accruals basis.

Notes to the Financial Statements
For the year ended 31 December 2013

1 General information and significant accounting policies (continued)

Current income tax

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the Statement of Financial Position date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Where relevant, a provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Statement of Comprehensive Income within 'administrative expenses'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'administrative expenses' in the Statement of Comprehensive Income.

Financial liabilities

Financial liabilities are initially valued at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest rate method, with any interest expense recognised on an effective yield basis.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

Foreign currencies

The director believes Pounds Sterling best represents the functional currency of the Company. Therefore the books and records are maintained in Pounds Sterling and, for the purpose of the financial statements, the results and financial position are presented in Pounds Sterling.

Notes to the Financial Statements
For the year ended 31 December 2013

1 General information and significant accounting policies (continued)

Foreign currencies (continued)

Monetary assets and liabilities in foreign currencies are translated into Pounds Sterling at the rates of exchange at the balance sheet date. Transactions in foreign currencies are translated into Pounds Sterling at the rate of exchange at the date of the transaction. Exchange differences are charged to the Statement of Comprehensive Income.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks and all other cash amounts with maturities of three months or less.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Employee benefits - bonus plans

The Company recognises a liability and an expense for bonuses based on consideration of the profit attributable to the Company's shareholders after certain adjustments.

Trade payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Notes to the Financial Statements
For the year ended 31 December 2013

1 General information and significant accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies described, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The director does not consider there to be any critical judgements in respect of the period.

Capital risk management

The Company's objectives when managing capital are to remain solvent until such time the Company is liquidated, struck off or otherwise wound up.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends distributed, return capital, and/or issue new shares.

The Company manages its capital through continuous review of its total capital which is reported quarterly to the director.

Financial risk management

The Company's activities expose it to a variety of financial risks.

Risk management is carried out under policies approved by the director. The director has set out principles for overall risk management, as well as policies covering specific areas.

Dividend distribution

Dividend distributions to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders.

Adoption of new and revised standards

During the current year the Company adopted all new and revised IFRS that are relevant to its operations and are effective for accounting periods beginning on 1 January 2013.

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not as yet. The director expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

Notes to the Financial Statements
For the year ended 31 December 2013

2 Profit before interest and tax

	Year ended 31 December 2013	Year ended 31 December 2012
	£	£
This is stated after charging		
Auditors' remuneration	307	5,066

Auditors' remuneration is solely in respect of fees payable for the audit of the Company's financial statements. The expense of £307 in the current year is due to an underaccrual of audit fees for the year ended 31 December 2012.

3 Staff cost

The Company had no employees during the year. The average number of employees in the year ended 31 December 2012 was 1 employee.

	Year ended 31 December 2013	Year ended 31 December 2012
	£	£
The aggregate remuneration comprised		
Wages and salaries and social security	-	216,870

4 Corporation tax expense

The tax charges on the profit on ordinary activities for the year were as follows:

	Year ended 31 December 2013	Year ended 31 December 2012
	£	£
(Loss)/profit for continuing operations	(7,668)	5,938
Income tax expense calculated at 20%	-	1,187
Adjustment for 2012 income tax expense	1,487	(560)
Income tax expense	1,487	627

The average tax rate for the year was 20%.

5 Trade and other receivables

	2013 £	2012 £
Other receivables	86,883	677,528
Corporation tax refundable	1,538	-
	88,421	677,528

Notes to the Financial Statements
For the year ended 31 December 2013

6 Cash and cash equivalents

	2013	2012
	£	£
Cash at bank	169,232	35,545

The credit risk associated with cash is considered to be limited because the counterparty is a bank with an investment grade credit rating assigned by international credit rating agencies

7 Share capital

	Number of shares				Value of shares			
	Ordinary	A Ordinary	B Ordinary	Total	Ordinary	A Ordinary	B Ordinary	Total
At 31 December 2013 and 2012	-	252	1,000	1,252	-	252	1,000	1,252

The nominal value of each share is £1 for all share classes. All shares are fully paid.

Each class of shares has the same rights except that a director appointed by an A shareholder is deemed to have an additional vote in the event of an equal number of votes cast for and against a proposed resolution in relation to certain matters.

8 Retained earnings

	2013	2012
	£	£
At beginning of year	8,379	3,068
(Loss)/profit for the year	(9,155)	5,311
At end of year	(776)	8,379

9 Trade and other payables

	2013	2012
	£	£
Trade payables	-	18,001
Corporation tax	-	1,187
Accrued liabilities and provisions	253,430	680,506
	253,430	699,694

Trade payables relate to amounts payable for services received during the period.

Notes to the Financial Statements
For the year ended 31 December 2013

9 Trade and other payables (continued)

Included in accrued liabilities and provisions at 31 December 2012 was an amount of £672,505 payable to two former employees of the Company under the terms of their employment contracts. At 31 December 2013, the Company had a liability of £253,430 payable to HMRC in respect of tax and national insurance relating to the payments made to the two former employees.

The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. The director considers that the carrying amount of financial liabilities recorded in the financial statements approximate to their fair value.

10 Cash generated from operations

	Year ended 31 December 2013 £	Year ended 31 December 2012 £
(Loss)/profit before interest and tax	(7,668)	5,938
Decrease/(increase) in trade and other receivables*	590,645	(418,035)
(Decrease)/increase in trade and other payables*	(445,077)	160,462
Cash generated from operations	137,900	(251,635)
Corporation tax paid	(4,213)	(1,797)
Net cash generated from/(used in) operating activities	133,687	(253,432)

* Excluding corporation tax

11 Related party transactions

The immediate and ultimate controlling party of Basil Street Advisers Limited is Olivant Limited, a company incorporated in Guernsey.

The Company entered into the following transactions with related parties:

Basil Street Advisers Limited has a receivable of £81,396 (2012 £667,990) from Olivant Limited, the Company's controlling party, at 31 December 2013. This comprises £91,518 (2012 £672,505) in respect of an amount payable by Olivant Limited less £10,122 (2012 £4,515) in respect of payments made by Olivant Limited on behalf of the Company.

During the year, Basil Street Advisers Limited incurred costs of £Nil (2012 £250) on behalf of Olivant Investments (No. 1) Limited, a related party by virtue of common control. As at 31 December 2013 £250 (2012 £250) was receivable to the Company.

During the year, Basil Street Advisers Limited incurred costs of £Nil (2012 £5,237) on behalf of Brookmans Services (UK) Limited, a related party by virtue of common control. As at 31 December 2013 £5,237 (2012 £5,237) was receivable to the Company.

Notes to the Financial Statements
For the year ended 31 December 2013

11 Related party transactions (continued)

During the year, Basil Street Advisers Limited, incurred costs of £Nil (2012 £1,844) on behalf of Olivant Investments Switzerland SA, a Company in which Olivant Limited holds a 14.99% investment. As at 31 December 2013, £Nil (2012 £1,844) was receivable to the Company.

During the year, Olivant Advisers Limited, a related party by virtue of common control, incurred costs of £1,440 (2012 £1,551) on behalf of Basil Street Advisers Limited. As at 31 December 2013, £Nil was receivable (2012 £71 receivable) to the Company.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. Expenses have not been recognised in the period for bad or doubtful debts in respect of the amount owed by related parties.

During the year emoluments payable to the directors were as follows:

	2013	2012
	£	£
Salaries and other short term benefits	-	77,500
	<u> </u>	<u> </u>
	2013	2012
	£	£
Highest paid director	-	77,500
	<u> </u>	<u> </u>

12 Events after the statement of financial position date

The director does not consider the Company to be a going concern as it is the intention to liquidate, strike off or otherwise wind up in due course. Accordingly, these financial statements are prepared on a break up basis.

13 Capital resources

The Company's capital resources at 31 December 2013 were £4,224 (2012 £13,379).

	2013	2012
	£	£
Opening balance	13,379	8,068
Total comprehensive (expense)/income attributable to owners during the year	(9,155)	5,311
	<u> </u>	<u> </u>
	4,224	13,379
	<u> </u>	<u> </u>

Basil Street Advisers Limited is not subject to externally imposed capital requirements.