

Akari Middleton Limited

Report and Financial Statements

Period Ended

31 October 2013

Company Number 03963711



Akari Middleton Limited

Report and financial statements for the period ended 31 October 2013

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Directors

Tony Lumb
Philip Smith

Secretary and registered office

Philip Smith, 90 High Holborn , London, WC1V 6XX

Company number

03963711

Auditors

BDO LLP, Citypoint, 65 Haymarket Terrace, Edinburgh, EH12 5HD

Akari Middleton Limited

Report of the directors for the period ended 31 October 2013

The directors present their report together with the audited financial statements for the period ended 31 October 2013

Results

The profit and loss account is set out on page 5 and shows the profit for the period

Principal activities

During the year end the group has entered into a reconstruction and refinancing transaction and as part of this all of the company's assets and liabilities, including the freehold land and buildings, have been transferred to Nilerace Limited, a related undertaking, at market value. Therefore this company has ceased to operate on 6 November 2012.

Directors

The directors of the company during the period were

Tony Lumb
Philip Smith

Directors' responsibilities

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 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,
- 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.

Akari Middleton Limited

Report of the directors for the period ended 31 October 2013 (*continued*)

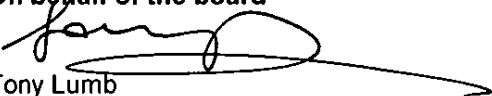
Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

The auditors, BDO LLP, are deemed to be re-appointed in accordance with section 487 of the Companies Act 2006.

In preparing this directors' report advantage has been taken of the small companies' exemption.

On behalf of the board



Tony Lumb

Director

2 June 2014

Akari Middleton Limited

Independent auditor's report

To the members of Akari Middleton Limited

We have audited the financial statements of Akari Middleton Limited for the period ended 31 October 2013 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 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, 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 Financial Reporting Council's (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate.

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 October 2013 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller entities, 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 period for which the financial statements are prepared is consistent with the financial statements.

Akari Middleton Limited

Independent auditor's report (*continued*)

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 directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report

BDO LLP

2 June 2014

*Martin Gill (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Edinburgh
United Kingdom*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Akari Middleton Limited

Profit and loss account for the period ended 31 October 2013

	Note	Period ended 31 October 2013 £	Year ended 6 November 2012 £
Turnover	1,3	-	92,555
Administrative expenses- including exceptional costs of £260,130 (2012 - £Nil)	2	261,104	8,196
Operating (loss)/profit	4	(261,104)	84,359
Profit on disposal of fixed assets	2	328,874	-
Profit on ordinary activities before interest and other income		67,770	84,359
Other interest receivable and similar income	5	1,369	-
Interest payable and similar charges		-	(38,409)
Profit on ordinary activities before and after taxation for the financial period		69,139	45,950

The notes on pages 7 to 10 form part of these financial statements

Akari Middleton Limited

Balance sheet at 31 October 2013

Company number 03963711

	Note	31 October 2013 £	31 October 2013 £	6 November 2012 £	6 November 2012 £
Fixed assets					
Tangible assets	6		-		422,100
Current assets					
Debtors	7	-		92,556	
Creditors, amounts falling due within one year	8	-		583,795	
Net current liabilities			-		(491,239)
Total assets less current liabilities			-		(69,139)
Capital and reserves					
Called up share capital	9		100		100
Profit and loss account	10		(100)		(69,239)
Shareholders' deficit			-		(69,139)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the board of directors and authorised for issue on 2 June 2014



Tony Lumb
Director

The notes on pages 7 to 10 form part of these financial statements

Akari Middleton Limited

Notes forming part of the financial statements for the period ended 31 October 2013

1 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The following principal accounting policies have been applied

Going Concern

The directors are required to make an assessment of the company's ability to continue as a going concern

During the year end the group has entered into a reconstruction and refinancing transaction and as part of this all of the company's assets and liabilities, including the freehold land and buildings, have been transferred to Nilerace Limited, a related undertaking at market value. Therefore this company has ceased to operate on 6 November 2012. The financial statements have therefore been prepared on a break up basis with all assets being included within financial statements at their recoverable amount and all known liabilities accrued for. The company ceased to operate from 6 November 2012.

Turnover

Turnover comprises rent received during the year and this is recognised on an accruals basis.

Land and buildings

Land and buildings were revalued to market value at the balance sheet date with any surplus taken to the revaluation reserve.

The profit or loss on disposal of revalued properties is calculated by reference to net book value and any realised revaluation surplus is transferred to the profit and loss account through reserves.

Depreciation

Depreciation was provided to write off the cost, less estimated residual values, of all tangible fixed assets, except for investment properties and freehold land, evenly over their expected useful lives. It was calculated at the following rates:

Freehold property - 2% straight line

Deferred taxation

Deferred tax balances were recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief, and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances were not discounted.

Akari Middleton Limited

Notes forming part of the financial statements for the period ended 31 October 2013 (continued)

1 Accounting policies (continued)

Cash flow statement

The Financial Reporting Standard for Smaller Entities (effective April 2008) does not require the preparation of a cash flow statement. Accordingly, the company has not prepared one.

2 Exceptional items

Included within exceptional administrative expenses are debts written off of £260,130 due from fellow subsidiary undertakings. The directors do not consider these debts to be recoverable.

During the year the company transferred its property to Nilerace Limited, a fellow subsidiary undertaking, at market value. This profit on disposal of fixed asset of £328,874 has been included within exceptional items below operating profit.

3 Turnover

Turnover arises solely within the United Kingdom.

4 Operating (loss)/profit

	Period ended 31 October 2013 £	Year ended 6 November 2012 £
This is arrived at after charging		
Depreciation of tangible fixed assets	974	7,196
Fees payable to the company's auditor or an associate of the company's auditor for the auditing of the company's annual accounts	-	1,000
Exceptional item - bad debt write off (note 2)	260,130	-
	<u> </u>	<u> </u>

Fees payable to the company's auditor or an associate of the company's auditor for the auditing of the company's annual accounts for the period ended 31 October 2013 have been borne by a fellow subsidiary undertaking.

5 Other interest receivable and similar income

	Period ended 31 October 2013 £	Year ended 6 November 2012 £
Loans to group companies	1,369	-
	<u> </u>	<u> </u>

Akari Middleton Limited

Notes forming part of the financial statements
for the period ended 31 October 2013 (*continued*)

6 Tangible fixed assets

	Freehold land & buildings £
<i>Cost or valuation</i>	
At 7 November 2012	429,296
Disposals	(429,296)
	<hr/>
At 31 October 2013	-
	<hr/>
<i>Depreciation</i>	
At 7 November 2012	7,196
Provided for the period	974
Disposals	(8,170)
	<hr/>
At 31 October 2013	-
	<hr/>
<i>Net book value</i>	
At 31 October 2013	-
	<hr/>
At 6 November 2012	422,100
	<hr/>

7 Debtors

	31 October 2013 £	6 November 2012 £
Amounts owed by group undertakings	-	92,556
	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year

8 Creditors: amounts falling due within one year

	31 October 2013 £	6 November 2012 £
Amounts owed to group undertakings	-	581,462
Other creditors	-	2,333
	<hr/>	<hr/>
	-	583,795
	<hr/>	<hr/>

Akari Middleton Limited

Notes forming part of the financial statements for the period ended 31 October 2013 (*continued*)

9 Share capital

	31 October 2013 £	6 November 2012 £
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1pence each	100	100

10 Reserves

	Profit and loss account £
At 7 November 2012	(69,239)
Profit for the period	69,139
	<hr/>
At 31 October 2013	(100)
	<hr/>

11 Contingent liabilities

The company has given a joint and several guarantee together with other group members in respect of group borrowings, included within Nilerace Limited, of £193,045,500 (2012 - £190,132,419) at the balance sheet date

12 Related party disclosures

The group has taken advantage of the exemption contained within FRS8 not to disclose transactions within the group

13 Ultimate parent company and parent undertaking of larger group

The company's ultimate parent company and controlling party at the balance sheet date was AK (SPV) Limited

The largest and smallest group for which consolidated accounts are prepared, is headed by AK (SPV) Limited, a company registered in England and Wales