

Velkin Limited

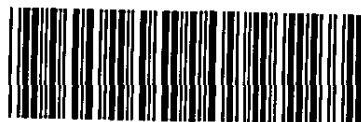
Report and Financial Statements

Year Ended

31 December 2012

Company Number 07239267

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Velkin Limited

Report and financial statements for the year ended 31 December 2012

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Director

K Cooper

Registered office

8-9 Stratton Street, London, W1J 8LF

Company number

07239267

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Velkin Limited

Report of the director for the year ended 31 December 2012

The director presents his report together with the audited financial statements for the year ended 31 December 2012

Results

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

Principal activities

The principal activity during the year was to design and fit out luxury private residential accommodation on behalf of clients for private use

Directors

The directors of the company during the year were

K Cooper
J Cooper (resigned 15 February 2013)
S Gulliano (resigned 15 February 2013)

Director's responsibilities

The director is responsible for preparing the director's report and the 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 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 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 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 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.

Velkin Limited

Report of the director for the year ended 31 December 2012 (*continued*)

Auditors

The director has taken all the steps that he ought to have taken to make himself 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 director is not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

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

On behalf of the Board

K Cooper



Director

Date 27/09/2013

Velkin Limited

Independent auditor's report

TO THE MEMBERS OF VELKIN LIMITED

We have audited the financial statements of Velkin Limited for the year ended 31 December 2012 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 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 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 director and auditors

As explained more fully in the statement of director's responsibilities, the director is 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 Financial Reporting Council'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 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Velkin 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 director was not entitled to prepare the financial statements and the director's report in accordance with the small companies' regime

BDO LLP

Thomas Edward Goodworth (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

27/09/13

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

Velkin Limited

Profit and loss account for the year ended 31 December 2012

	Note	2012 £	2011 £
Turnover	2	441,537	643,985
Cost of sales		(496,606)	(584,490)
Gross (loss)/profit		(55,069)	59,495
Administrative expenses		(4,648)	(7,530)
Operating (loss)/profit	4	(59,717)	51,965
Interest payable and similar charges	5	(1,655)	-
Interest received and similar income	6	126,592	65,856
Profit on ordinary activities before and after taxation	11	65,220	117,821

All amounts relate to continuing activities

All recognised gains and losses are included in the profit and loss account

The notes on pages 7 to 11 form part of these financial statements

Velkin Limited

Balance sheet
at 31 December 2012

Company number 07239267	Note	2012 £	2011 £
Current assets			
Debtors	8	5,956	2,286,226
Cash at bank		1,952,629	5,450,982
		<u>1,958,585</u>	<u>7,737,208</u>
Creditors: amounts falling due within one year	9	(1,756,352)	(7,600,195)
		<u>202,233</u>	<u>137,013</u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	202,232	137,012
		<u>202,233</u>	<u>137,013</u>
Shareholders' funds	12	202,233	137,013

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

The financial statements were approved by the Board of Directors and authorised for issue on 27/09/2013

K Cooper
Director



The notes on pages 7 to 11 form part of these financial statements

Velkin Limited

Notes forming part of the financial statements for the year ended 31 December 2012

1 Accounting policies

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

The following principal accounting policies have been applied

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

The turnover is shown exclusive of Value Added Tax

Turnover represents the value of all rechargeable costs incurred and project fees earned in relation to contracts. Recharged costs are recognised by reference to the costs which have been incurred on projects

In respect of project fees, where a contract is not completed at the year end the amount of revenue recognised in the current year is based on a percentage of completion of the project. The percentage of completion of the project is based on the staff costs required to complete the project as this provides the most accurate estimation of the percentage of completion at the year end

Deferred taxation

Deferred tax balances are 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 group 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 group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the year if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account

Velkin Limited

Notes forming part of the financial statements
for the year ended 31 December 2012 (continued)

2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company

A geographical analysis of turnover is given below

	2012 £	2011 £
United Kingdom	<u>441,537</u>	<u>643,985</u>

3 Directors' remuneration

The directors did not receive any remuneration during the year

4 Operating profit

Audit fees are borne by the company's immediate parent company

5 Interest and similar charges

	2012 £	2011 £
Bank charges	<u>1,655</u>	<u>-</u>

6 Interest received and similar income

	2012 £	2011 £
Foreign exchange gains	<u>126,592</u>	<u>65,856</u>

Velkin Limited

Notes forming part of the financial statements for the year ended 31 December 2012 (continued)

7 Taxation on profit on ordinary activities

	2012 £	2011 £
(a) Analysis of charge in the year		
UK corporation tax	-	-
	-	-

(b) Factors affecting current tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	65,220	117,281
	65,220	117,281
Profit on ordinary activities at the standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%)	15,979	31,223
Less group relief	(15,979)	(31,223)
	-	-
Total current tax	-	-

8 Debtors

	2012 £	2011 £
Amounts owed by group undertakings	-	2,227,368
Accrued income	-	49,249
VAT debtor	5,956	9,609
	5,956	2,286,226
	5,956	2,286,226

Velkin Limited

Notes forming part of the financial statements for the year ended 31 December 2012 (continued)

9 Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	491,309	16,927
Amounts owed to group undertakings	1,244,408	-
Other creditors	20,635	7,583,268
	1,756,352	7,600,195
	1,756,352	7,600,195

10 Share capital

	Authorised			
	2012 Number	2011 Number	2012 £	2011 £
Ordinary shares of £1 each	1	1	1	1
	1	1	1	1
	Allotted, called up and fully paid			
	2012 Number	2011 Number	2012 £	2011 £
Ordinary shares of £1 each	1	1	1	1
	1	1	1	1

11 Profit and loss account

	£
At 1 January 2012	137,012
Profit for the year	65,220
	202,232
At 31 December 2012	202,232

Velkin Limited

Notes forming part of the financial statements for the year ended 31 December 2012 (*continued*)

12 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Opening shareholders' funds	137,013	19,192
Profit for the year	65,220	117,821
	<hr/>	<hr/>
Closing shareholders' funds	202,233	137,013
	<hr/>	<hr/>

13 Related party transactions

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with other group companies that are wholly owned subsidiaries of the parent undertaking, on the basis that group accounts are prepared

14 Control

As at year end the company's immediate parent undertaking was Urban Velvet Design Limited, a company incorporated in England and Wales. The group financial statements of Urban Design Limited can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. The group's ultimate parent company was Swiss MidEast Limited, a company incorporated in Malta. The group financial statements of Swiss MidEast Limited can be obtained from Level 14 Suite 2, Portomaso Business Tower, St Julian's STJ4011, Malta. There was no controlling party.

On 15 February 2013 100% of the share capital of the company was purchased by Trivia Management Limited, a company incorporated in the British Virgin Islands. There is no controlling party.