

Doncasters Middle East Limited
Annual report and financial statements
for the year ended 31 December 2011

Registered Number 1316397

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Doncasters Middle East Limited

Annual report and financial statements for the year ended 31 December 2011

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Doncasters Middle East Limited

Directors' report for the year ended 31 December 2011

The Company's registered number is 1316397

The directors submit their annual report together with the audited financial statements for the year ended 31 December 2011

Principal activities

The principal activities of the Company are of a holding company. The Company is expected to continue to act as a holding company.

The Directors have performed a going concern assessment by reviewing the latest forecasts of the Company in the context of its trading prospects. Furthermore, the specific items outlined below have been considered.

The Company has net assets of £3.9 million (2010: £3.9 million). The Company is an obligor to certain lending arrangements and facilities entered into by its parent undertaking, Doncasters Group Limited and its subsidiary undertakings (the "Group") and substantially all the assets of the Company are pledged to support these lending and facility arrangements. The Group has substantial loan arrangements with a number of financial institutions which have maturity dates between 2015 and 2017, and are governed by a number of covenants, including covenants in relation to financial performance, with which the Group is required to comply.

The Directors have taken into consideration the obligations of the Company under the lending and facility arrangements, the strong liquidity of the Group, the cash flows, and have concluded that a going concern basis of preparation of its financial statements is appropriate.

Results and dividends

The results for the Company show a pre-tax loss of £1,000 (2010: £3,000). No dividends are proposed (2010: £nil).

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed within the Report of the directors of the Doncasters Group Limited annual report which does not form part of this report.

Financial risk management

Financial risk management objectives and policies, including the policy for hedging and managing exposure to price, credit, liquidity and cash flow risk, are set for the Group as a whole. As a result the financial risk management policy is disclosed in the Group financial statements and so no separate disclosure is included within this report.

Doncasters Middle East Limited

Directors' report for the year ended 31 December 2011 (continued)

Key performance indicators

The key performance indicators of the business are integrated with Doncasters Group Limited. The directors of Doncasters Group Limited manage the Group's operations on a divisional basis. Further discussion of the performance of the Group, which includes the Company, is provided within the Report of the directors of the Doncasters Group Limited annual report which does not form part of this report.

Directors

The directors who have served during the year and up to the date of this report are as follows:

M J Schurch	
D Hinks	- appointed 20 October 2011
H W Jackson	- resigned 20 October 2011
A J Schofield	- resigned 16 December 2011

The Company maintains directors' and officers' liability insurance which gives appropriate cover for legal action brought against its directors. The Company has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purpose of section 234 ((2) – (6)) of the Companies Act 2006.

Statement of 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 prepared 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, and
- 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.

Doncasters Middle East Limited

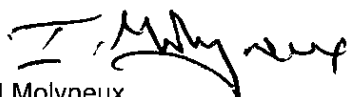
Directors' report for the year ended 31 December 2011 (continued)

Statement of disclosure of information to auditors

In the case of each of the directors in office at the date the directors' report is approved, the following applies

- (a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

By Order of the Board



I Molyneux

Secretary

2 August 2012

Registered Office

Millennium Court
First Avenue
Burton-upon-Trent
Staffordshire
DE14 2WH

Independent auditors' report to the members of Doncasters Middle East Limited

We have audited the financial statements of Doncasters Middle East Limited for the year ended 31 December 2011 which comprise the Profit and Loss account, the Balance Sheet, the Reconciliation of Movement in Total Shareholders' Funds 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)

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities 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.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. 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 2011 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.

Independent auditors' report to the members of Doncasters Middle East Limited (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



Mark Skedgel (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

6 August 2012

Doncasters Middle East Limited

Profit and loss account for the year ended 31 December 2011

	Note	2011 £000	2010 £000
Administrative expenses	2	(1)	(3)
Loss on ordinary activities before taxation		(1)	(3)
Taxation on loss on ordinary activities	3	-	-
Loss for the financial year	7	(1)	(3)

The above results arise entirely from continuing activities

There is no difference between the results disclosed in the profit and loss account above and the results on an unmodified historical cost basis

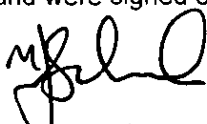
The Company had no recognised gains or losses other than the profit or loss for the financial year
Therefore no separate statement of total recognised gains and losses has been presented

Doncasters Middle East Limited

Balance sheet as at 31 December 2011

	Note	2011 £000	2010 £000
Current assets			
Debtors	4	10,960	10,960
Cash at bank and in hand		8	9
		10,968	10,969
Creditors, amounts falling due within one year	5	(7,100)	(7,100)
Net assets		3,868	3,869
Capital and reserves			
Called up share capital	6	-	-
Profit and loss account	7	3,868	3,869
Total shareholders' funds		3,868	3,869

The financial statements on pages 6 to 12 were approved by the board of directors on 2 August 2012 and were signed on its behalf by



M J Schurch
Director
2 August 2012

Doncasters Middle East Limited

Reconciliation of movement in total shareholders' funds for the year ended 31 December 2011

	2011	2010
	£000	£000
Loss for the financial year	(1)	(3)
Opening total shareholders' funds	3,869	3,872
Closing total shareholders' funds	3,868	3,869

Doncasters Middle East Limited

Notes to the financial statements for the year ended 31 December 2011

1 Accounting policies

Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. As required under FRS 18 ("Accounting Policies") the Board has reviewed the accounting policies adopted in the financial statements and consider them to be the most appropriate for the Company.

The principal accounting policies are set out below and have been applied consistently year on year.

The Directors have performed a going concern assessment by reviewing the latest forecasts of the Company in the context of its trading prospects. Furthermore, the specific items outlined below have been considered.

The Company has net assets of £3.9 million (2010: £3.9 million). The Company is an obligor to certain lending arrangements and facilities entered into by its parent undertaking, Doncasters Group Limited and its subsidiary undertakings and substantially all the assets of the Company are pledged to support these lending and facility arrangements. Doncasters Group Limited and its subsidiary undertakings have substantial loan arrangements with a number of financial institutions which have maturity dates between 2015 and 2017, and are governed by a number of covenants, including covenants in relation to financial performance, with which the Group is required to comply.

The Directors have taken into consideration the obligations of the Company under the lending and facility arrangements, the strong liquidity of the Group, the cash flows, and have concluded that a going concern basis of preparation of its financial statements is appropriate.

Taxation

Current tax is the expected tax payable for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxes, where applicable, are provided in full at expected tax rates on differences arising from the recognition of income and expenditure in different periods for tax purposes from those for accounting purposes. Deferred tax assets are recognised to the extent that they are regarded as recoverable.

Foreign currencies

Transactions in foreign currency are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling on the balance sheet date. Exchange differences arising on the retranslation of hedged assets and liabilities are taken to reserves with any unhedged portion charged or credited to the profit and loss account. All other exchange differences are included in the profit and loss account.

Cash flow statement

A consolidated cash flow statement is included in the financial statements of Doncasters Group Limited. Accordingly, under Financial Reporting Standard 1 (Revised 1996) "Cash Flow Statements" no cash flow statement is included within these accounts.

Doncasters Middle East Limited

Notes to the financial statements for the year ended 31 December 2011 (continued)

2 Administrative expenses

	2011	2010
	£000	£000
Administrative expenses	1	3

Audit fees of £4,000 (2010 £4,000) have been borne by Doncasters Limited and are not recharged to the Company. The Company did not incur any non-audit fees (2010 £nil).

3 Taxation on loss on ordinary activities

Tax reconciliation.

The tax assessed for the year is equal to (2010 higher) than the standard rate of corporation tax in the UK of 26.5% (2010 28%).

	2011	2010
	£000	£000
Loss on ordinary activities before taxation	(1)	(3)
Loss on ordinary activities multiplied by the standard rate of corporate tax in UK of 26.5% (2010 28%)	-	(1)
Group relief surrendered for no consideration	-	1
	-	-

On 5 July 2011 the UK Parliament enacted changes to the Finance (No. 2) Act 2010, including a reduction of the UK corporate tax rate from 28% to 26% effective from 1 April 2011, rather than 27% as previously enacted in July 2010. On 5 July 2011 the UK Parliament substantively enacted the Finance Act 2011, including a further reduction of the UK corporate tax rate to 25%, effective from 1 April 2012.

A further resolution passed by Parliament on 26 March 2012 reduced the main rate of corporation tax to 24% from 1 April 2012. Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 is expected to be included in the Finance Act 2012. A further reduction to the main rate is also proposed to reduce the rate to 22% from 1 April 2014. None of these rate reductions had been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

Doncasters Middle East Limited

Notes to the financial statements for the year ended 31 December 2011 (continued)

4 Debtors

	2011	2010
	£000	£000
Amounts due within one year		
Amounts owed by group undertakings	10,960	10,960
	10,960	10,960

Amounts owed by group undertakings are interest free, unsecured, and have no fixed terms of repayment

5 Creditors: amounts falling due within one year

	2011	2010
	£000	£000
Amounts owed to group undertakings	7,100	7,100

Amounts owed to group undertakings are interest free, unsecured and have no fixed term of repayment

6 Called up share capital

	2011	2010
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

7 Profit and loss account

	£000
At beginning of the year	3,869
Loss for the financial year	(1)
At end of the year	3,868

Doncasters Middle East Limited

Notes to the financial statements for the year ended 31 December 2011 (continued)

8 Employees and directors

The Company had no employees during the year (2010 nil)

Directors

None of the directors received any remuneration specifically in respect of their services to the Company (2010 £nil)

9 Guarantees

The Company has given a guarantee in respect of the borrowings of Doncasters Group Limited which amounted to £1,064.2 million at 31 December 2011 (2010 £1,198.2 million)

The Company is a participant in the group banking arrangement under which all surplus cash balances are held as collateral for bank facilities advanced to group members. In addition, the Company has issued an unlimited guarantee to the banks to support these group facilities.

10 Parent company and ultimate controlling party

The immediate parent company is Doncasters Limited, a company registered in England and Wales.

The ultimate parent company and controlling party is Dubai Holding LLC, a company registered in the United Arab Emirates.

The results of Doncasters Middle East Limited are consolidated into the financial statements of Doncasters Group Limited, a company registered in England and Wales, being the smallest entity into which these results are consolidated. The consolidated financial statements of Doncasters Group Limited may be obtained from Millennium Court, First Avenue, Burton-upon-Trent, Staffordshire, DE14 2WH.

As permitted by FRS 8 "Related Party Disclosures", the Company is not required to disclose transactions with group companies qualifying as related parties. The results of Doncasters Group Limited are ultimately consolidated into the financial statements of Dubai Holding LLC, P O Box 66000, Dubai, United Arab Emirates, being the largest entity into which these results are consolidated.