

**ZULU REALISATIONS LIMITED
(FORMERLY ZOLFO COOPER LIMITED)**

REPORT AND FINANCIAL STATEMENTS

31st MARCH 2015

TUESDAY



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Zulu Realisations Limited

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**Report and Financial Statements
For the year ended 31st March 2015**

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Officers and Professional Advisers

Directors

M Lewis
A Beveridge (Appointed 10th February 2015)
S Freakley (Appointed 10th February 2015)

Registered office

10 Fleet Place
London
EC4M 7RB

Auditors

Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

Bankers

Barclays Bank Plc
London

Zulu Realisations Limited**Strategic Report****Principal Activity and Review of the Business**

The company is a wholly owned subsidiary of Zulu Holdings Limited. The principal activity of the company was the provision of insolvency and corporate advisory services. On 23rd February 2015, the directors made the decision to sell the business and assets and Zulu Realisations Limited has now ceased trading.

On 25 February 2015, the entity changed its name from Zolfo Cooper Limited to Zebra Realisations Limited, and then to Zulu Realisations Limited on 2 June 2015.

Demand for the company's services is very dependent on the overall business cycle, and thus subject to variation. The financial period in question saw both a challenging and buoyant business environment, and the director is satisfied with the company's performance in the face of these challenges.

The company's profit and loss account on page 7 discloses turnover of £10,666,169 compared to £16,975,670 in the prior period. The profit in the period was £938,292 compared to £511,449 in the prior period.

Principal Risks and Uncertainties

Prior to the sale of the business and assets of the company the directors considered competitive pressure as the most significant risk for the company. The company managed this risk by continuing to develop its expertise and the services it offered to clients.

The company was reliant on the expertise of its staff to obtain new business and to carry out its services to the standards required. The company ensured that it retained existing staff and recruited new staff with the requisite skills and experience by maintaining a stimulating and rewarding working environment, and paying particular attention to the welfare and happiness of its staff. Subsequent to the sale, the main risks relate to the realisation of debtors.

Financial Risk Management

The company does not use derivatives to manage its financial risks. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk and price risk. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the only financial risk the director considers relevant to this company is credit risk. The company's interest income is not large enough for changing interest rates to constitute a significant risk, and the company has not invested in any assets that are significantly exposed to market risk. The company's income is almost entirely denominated in sterling, thus minimising currency risk, and the company maintains all of its funds in immediately available deposits to minimise liquidity risk. The only liquidity risk that the company is exposed to is the risk that its debtors do not pay, which is identical with credit risk. This risk is mitigated by the company's credit control policies, which include detailed financial analysis of client companies' ability to pay before the assignment is taken on, a close working relationship with the management of client companies by operational staff, and close monitoring of payments received versus outstandings and proposed billing by case managers.

Approved by the Directors



M Lewis

Director

24 March 2016

Company registration No. 3777089

Report of the Directors

The directors present their annual report and the audited financial statements for the year ended 31 March 2015.

Directors

The directors who served during the period are set out on page 2.

Dividends

A dividend of £647,394 (2014: £8,925,000) was paid in the year.

Auditors


The directors confirm that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The auditors, Moore Stephens LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Approved by the Directors and signed on their behalf



M Lewis

Director

24 March 2016

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directorss Report and the financial statements in accordance with applicable law and regulations.

Company law requires 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; 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.

Independent Auditor's Report to the Members of Zulu Realisations Limited

We have audited the financial statements of Zulu Realisations Limited for the year ended 31st March 2015 which are set out on pages 7 to 17. 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 Directors' Responsibilities Statement set out on page 5, 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 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 (APB's) Ethical Standards for Auditors.

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 director; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31st March 2015 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Thomas Ward

Thomas Ward, Senior Statutory Auditor
For and on behalf of Moore Stephens LLP, Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB
24 March 2016

Profit and Loss Account
For the year ended 31st March 2015

	<u>Note</u>	<u>2015</u> £	<u>2014</u> £
Turnover	1 (f)	10,666,169	16,975,670
Cost of sales		<u>(9,653,898)</u>	<u>(15,665,167)</u>
Gross Profit		1,012,271	1,310,503
Administrative expenses		<u>(1,234,573)</u>	<u>(1,462,442)</u>
Operating Loss		(222,302)	(151,939)
Reorganisation costs	19	(1,439,399)	-
Share of (loss)/profit from corporate member	2	(360,547)	1,021,673
Interest receivable and similar income	3	8,928	15,861
Dividends received		<u>3,038,246</u>	<u>-</u>
Profit on Ordinary Activities before Taxation	4	1,024,926	885,595
Tax charge on profit on ordinary activities	6	<u>(86,634)</u>	<u>(374,146)</u>
Profit on Ordinary Activities for the Financial Period	13	<u>938,292</u>	<u>511,449</u>

All activities relate to discontinued operations.

There are no recognised gains or losses other than the results stated above in the current and preceding periods. Accordingly no statement of total recognised gains and losses is presented.

Zulu Realisations Limited

Balance Sheet – 31st March 2015

	<u>Note</u>	<u>2015</u> £	<u>2014</u> £
Fixed Assets			
Tangible assets	7	-	973,437
Investments	8	-	7,891,916
		-	8,865,353
Current Assets			
Debtors	9	11,850,646	12,913,129
Cash at bank and in hand		5,781,687	3,257,728
		17,632,333	16,170,857
Creditors: amounts falling due within one year	10	(2,083,297)	(9,778,072)
Net Current Assets		15,549,036	6,392,785
Total Assets Less Current Liabilities		15,549,036	15,258,138
Net Assets		15,549,036	15,258,138
Capital and Reserves			
Called up share capital	12	1,252	1,252
Share premium account	13	123,228	123,228
Other reserves	13	15,000,000	15,000,000
Profit and loss account	13	424,556	133,658
Shareholders' Funds	14	15,549,036	15,258,138

These financial statements were approved by the Director on



M Lewis

Director

24 March 2016

Financial Statements for the year ended 31st March 2015

Notes

1. Accounting Policies

The particular accounting policies adopted are described below.

(a) Accounting convention

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

(b) Basis of consolidation

The financial statements contain information about the company as an individual company and do not contain consolidated information as a parent of a group. The company is exempt under Companies Act 2006 S400 from the requirement to prepare consolidated financial statements as it and its subsidiaries are included by full consolidation in the consolidated financial statements of its ultimate parent, Zulu Holdings Limited, and the other conditions set out in paragraph 21 of Financial Reporting Standard No. 2 "Accounting for Subsidiary Undertakings" have been met.

(c) Tangible fixed assets

Tangible fixed assets are shown at original historical cost less accumulated depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	Life of the lease
Furniture, fittings and equipment	3 to 6 years

(d) Investments

Investments in subsidiaries are valued at cost less provision for impairment.

(e) Taxation

Current tax, including corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Financial Statements for the year ended 31st March 2015

Notes (Continued)

1. Accounting Policies (Continued)

(f) Turnover

Turnover represents the value, both billed and unbilled, of services provided during the year, excluding amounts received in advance in respect of work to be performed after the year end exclusive of VAT. All turnover is derived from operations in the UK.

(g) Unbilled revenue

Unbilled revenue is recognised as revenue on engagements, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as the engagement activity progresses. The value of unbilled revenue at year end is included in the balance sheet of the company at its estimated recoverable amount.

(h) Foreign currency

Transactions in foreign currencies are recorded in sterling at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at the year end. All exchange differences are included in the profit and loss account.

(i) Operating leases

Operating lease rentals are charged to the profit and loss account in equal instalments over the lease term.

(j) Cash flow statement

The company meets the exemption requirements of FRS 1 (Revised 1996), Cash Flow Statements, in that it is 100% owned by a company whose consolidated accounts are publicly available. For this reason a cash flow statement has not been prepared.

(k) Pensions

The company operates a defined contribution pension scheme and the amounts charged to the profit and loss account in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2. Share of (Loss)/Profit From Corporate Member

Profit distributions are received from Zebra Realisations LLP of which Zulu Realisations Limited is a member. Distributions received are a profit share as agreed by the partnership deed.

3. Interest Receivable and Similar Income

	<u>2015</u> £	<u>2014</u> £
Bank interest receivable	<u>8,928</u>	<u>15,861</u>

Financial Statements for the year ended 31st March 2015

Notes (Continued)

4. Profit on Ordinary Activities before Taxation

Profit on ordinary activities is stated after charging:

	<u>2015</u> £	<u>2014</u> £
Depreciation	409,106	601,277
Operating lease rentals		
- plant and machinery	132,000	132,511
- other	700,201	1,037,236
Auditors' remuneration - audit fees	<u>30,000</u>	<u>30,000</u>

5. Employee Costs and Numbers

Employment costs during the year (including the directors) are as shown below:

	<u>2015</u> £	<u>2014</u> £
Their aggregate remuneration comprised:		
Wages and salaries	4,490,089	7,496,905
Social security costs	575,257	824,693
Other pension costs	<u>313,516</u>	<u>330,747</u>
	<u>5,378,862</u>	<u>8,652,345</u>

The average monthly number of persons employed (including the directors) by the company during the year was as follows:

	<u>2015</u> £	<u>2014</u> £
Fee earners	101	117
Administration	<u>46</u>	<u>44</u>
	<u>147</u>	<u>161</u>

Director's remuneration was paid in respect of the directors of the company as follows:

	<u>2015</u> £	<u>2014</u> £
Emoluments	6,250	7,500
Benefits in kind	<u>1,060</u>	<u>1,268</u>
	<u>7,310</u>	<u>8,768</u>

Financial Statements for the year ended 31st March 2015

Notes (Continued)

6. Tax Charge on Profit on Ordinary Activities

	<u>2015</u> £	<u>2014</u> £
Corporation tax charge for the year	-	161,605
Adjustment in respect of previous years	-	-
Total current tax charge/(credit)	-	161,605
Deferred tax:		
Timing differences, origination and reversal	86,634	175,739
Effect of change of tax rate on opening balances	-	36,802
Total deferred tax charge	86,634	212,541
Tax charge on profit on ordinary activities	86,634	374,146

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 21% (2014: 23%). The actual tax charge for the current and previous year differs from the standard rate for the reasons set out in the following reconciliation:

	<u>2015</u> £	<u>2014</u> £
Profit on ordinary activities before tax	1,024,296	885,595
Tax on profit on ordinary activities at standard rate 21% (2014: 23%)	215,234	203,687
Factors affecting charge for the year:		
Expenses not deductible for tax purposes	439,022	140,099
Capital allowances in excess of depreciation	(248,377)	(75,504)
Short-term timing differences arising in year	-	(106,677)
Income not taxable for tax purposes	(638,032)	-
Tax losses available for carry back	232,153	-
Current tax	-	161,605

Zulu Realisations Limited

Financial Statements for the year ended 31st March 2015

Notes (Continued)

7. Tangible Fixed Assets

	<u>Leasehold Improvements</u>	<u>Furniture, Fittings and Equipment</u>	<u>Total</u>
	£	£	£
Cost			
At 1st April 2014	1,234,321	2,028,339	3,262,660
Additions	125,996	47,635	173,631
Disposal	(1,360,317)	(2,075,974)	(3,436,291)
At 31st March 2015	-	-	-
Depreciation			
At 1st April 2014	905,254	1,383,969	2,289,223
Charge for the year	120,942	288,164	409,106
Disposal	(1,026,196)	(1,672,133)	(2,698,329)
At 31st March 2015	-	-	-
Net book value			
At 31st March 2015	-	-	-
At 31st March 2014	329,067	644,370	973,437

8. Investments

	<u>2015</u> £	<u>2014</u> £
Cost and net book value		
Capital investment in Zebra Realisations LLP	-	6,081,815
Shares in subsidiary undertakings	-	1,810,101
	-	7,891,916

	<u>Country of Incorporation and Operation</u>	<u>Activity</u>	<u>Proportion of ordinary shares held</u> %
Zolfo Cooper Corporate Finance Limited (Disposed of on 31st January 2015)	UK	Corporate finance practice	100
T & N Asbestos Trustee Company Limited (Disposed of on 31st January 2015)	UK	Dormant	100

The company is the corporate member of Zebra Realisations LLP. Zulu Realisations Limited invested capital of £6,081,815 in Zebra Realisations LLP during the prior period, which was then repaid during the current period. Zulu Realisations Limited also disposed of its 100% shareholding in Zolfo Cooper Corporate Finance Limited and T & N Asbestos Trustee Company Limited on 31st January 2015.

Zulu Realisations Limited

Financial Statements for the year ended 31st March 2015

Notes (Continued)

9. Debtors	2015	2014
	£	£
Trade debtors	-	255,093
Amounts owed by parent undertaking	8,859,525	8,859,225
Amounts owed by related parties	711,663	-
Corporation tax	1,733,832	1,120,946
Deferred tax asset (see Note 11)	232,153	318,787
Other debtors	118,440	299,602
Prepayments	195,033	1,258,587
Unbilled revenue	-	800,889
	<u>11,850,646</u>	<u>12,913,129</u>
10. Creditors, amounts falling due within one year	2015	2014
	£	£
Trade creditors	32,250	861,224
Amounts owed to group undertakings	-	471,616
Amounts owed to related undertakings	1,034,678	5,023,363
Other taxation and social security	624,209	211,612
Accruals and deferred income	392,160	3,210,257
	<u>2,083,297</u>	<u>9,778,072</u>
11. Deferred Taxation	2015	2014
	£	£
Depreciation charged in excess of capital allowances claimed	-	317,481
Losses	232,153	-
Other timing differences	-	1,306
Closing balance	<u>232,153</u>	<u>318,787</u>
Reconciliation of deferred taxation asset		
Opening balance	318,787	531,328
Deferred tax (charge)/credit in profit and loss account	<u>(86,634)</u>	<u>(212,541)</u>
Closing balance	<u>232,153</u>	<u>318,787</u>

The deferred taxation asset has been calculated at the rate of 20% (2014: 23%).

Financial Statements for the year ended 31st March 2015

Notes (Continued)

12. Share Capital

	<u>2015</u> £	<u>2014</u> £
Called up, allotted and fully paid		
2 ordinary shares of £1 each	2	2
12,500,000 A class shares of 0.01p each	<u>1,250</u>	<u>1,250</u>
	<u>1,252</u>	<u>1,252</u>

Out of profits available for distribution and resolved to be distributed, the holders of A class shares are entitled, in priority to any payment of dividend to the holders of any other class of shares, to be paid a non-cumulative preferential dividend at the rate of three months LIBOR applied to £12.5 million and also a dividend equal in aggregate to 1% of any dividend declared on the ordinary shares.

The holders of A class shares have voting rights, save that they may not vote if a resolution is to be proposed concerning the payment of dividends, for the winding up of the company or redemption of A shares. In the event that they are entitled to vote, the number of votes which may be cast as a class shall be one less than the number of votes which may be cast by the holders of the ordinary shares as a class.

On a winding up the holders of the A class shares have priority before all other classes of shares to receive repayment of capital.

13. Reserves

	<u>Share Premium Account</u> £	<u>Other Reserves</u> £	<u>Profit and Loss Account</u> £	<u>Total</u> £
At 1st April 2014	123,228	15,000,000	133,658	15,256,886
Profit for the financial Period	-	-	938,292	938,292
Dividends paid	<u>-</u>	<u>-</u>	<u>(647,394)</u>	<u>(647,394)</u>
At 31st March 2015	<u>123,228</u>	<u>15,000,000</u>	<u>424,556</u>	<u>15,547,784</u>

14. Reconciliation of Movement in Shareholders' Funds

	<u>2015</u> £	<u>2014</u> £
Profit for the financial period	938,292	511,449
Dividends paid	<u>(647,394)</u>	<u>(8,925,000)</u>
Net increase/(decrease) to shareholders' funds	290,898	(8,413,551)
Opening shareholders' funds	<u>15,258,138</u>	<u>23,671,689</u>
Closing shareholders' funds	<u>15,549,036</u>	<u>15,258,138</u>

Financial Statements for the year ended 31st March 2015

Notes (Continued)

15. Other Financial Commitments

At 31st March the company had annual commitments under non-cancellable operating leases set out below:

	2015		2014	
	Land and Buildings £	Other £	Land and Buildings £	Other £
Expiry date:				
- within one year	-	22,000	-	-
- between two and five years	903,433	-	688,705	132,000
- after five years	-	-	148,242	-
	<u>903,433</u>	<u>22,000</u>	<u>836,947</u>	<u>132,000</u>

16. Ultimate Parent Company

Zulu Holdings Limited is the ultimate controlling company. The accounts of Zulu Holdings Limited are available to the public from 10 Fleet Place, London, EC4M 7RB and Companies House, Crown Way, Cardiff, CF14 3UZ.

17. Related Party Transactions

The company has taken advantage of the exemptions set out in Financial Reporting Standard 8 – Related Party Disclosures and has not presented and disclosed details of transactions with 100% owned entities belonging to the group headed by Zulu Holdings Limited.

The company is the corporate member of Zulu Realisations LLP. The company was allocated a loss of £360,547 (2014: income of £1,021,673) from Zulu Realisations LLP in respect of its profit share for the period. The amount owed to Zulu Realisations LLP at 31st March 2015 was £1,034,678 (2014: £5,023,363).

The company recharged administration costs of £5,500,959 (2014: £6,431,138) to Zulu Realisations LLP.

Included in debtors is £711,663 recoverable from members of Zulu Realisations LLP.

The company was charged professional consultancy services of £37,691 (2014: £44,300) by Lewis Dyson LLP a partnership in which M. Lewis is a member.

18. Pensions

The company provides pensions through an Ageon Scottish Equitable group personal pension plan. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits for the current period is £313,516 (2014: £330,747).

Zulu Realisations Limited**Financial Statements for the year ended 31st March 2015****Notes (Continued)****19. Reorganisation Costs**

On 23rd February 2015, the business and assets of Zebra Realisations LLP and Zulu Realisations Limited were sold to AlixPartners Services LLP. The assets and liabilities of Zulu Realisations Limited were transferred at book value.

The reorganisation costs represent professional fees and incidental costs linked to the disposal of the business and staff bonuses on the successful completion of the transaction.