

Company Number 4162533

**Omega Commodities Limited
Director's Report and
financial statements
for the year ended 31 December 2012**

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Omega Commodities Limited

Report and financial statements For the year ended 31 December 2012

Contents	Pages
Officers and advisers	1
Directors' report	2 - 5
Auditors' report	6 - 7
Profit and loss account	8
Balance sheet	9
Cash flow statement	10 - 11
Notes to the financial statements	12 - 20

Omega Commodities Limited

Officers and advisers

Directors

George Andreou

Registered office

Kenton House
666 Kenton Road
Harrow
Middlesex HA3 9QN
United Kingdom

Secretary

Xamitin Limited
75 Prodromou Avenue
Oneworld Parkview House
2063 Nicosia
Cyprus

Auditors

BDO Limited
1 Erethiou Street
Antonis Zenios Tower
Engomi
2413 Nicosia
Cyprus

Company number 4162533

Omega Commodities Limited

Director's report for the year ended 31 December 2012

Financial statements

The director presents herewith his report and financial statements for the year ended 31 December 2012

Statement of Directors' responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable laws and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare 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 for that period

In preparing the financial statements, the director is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments 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 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. 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 regularities

The Director is responsible for the maintenance and integrity of the financial and corporate information contained on the Company's website The legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Disclosure of Information to Auditors

The director of the Company who held office at the date of approval of this annual report confirms that

- So far as he is aware, there is no relevant audit information, information needed by the Company's auditors in connection with preparing their report, of which the Company's auditors are unaware; and
- He has taken all the steps that he ought to have taken as 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

Omega Commodities Limited

Director's report for the year ended 31 December 2012 (continued)

Principal activity and review of the business

The company maintains a branch in Cyprus and its management and control is carried out in Cyprus.

The principal activity of the company during the year continues to be that of marketing feed and grain commodities

The director draws attention to note 16 where it is stated that the Company has carried out minimal commodities trade since March 2011 up to the current date. However, the director is currently reviewing the commodities market for opportunities and actively seeking suitably profitable contracts. Adequate finance has been obtained to take advantage of business opportunities

Results

The profit and loss account for the period is set out on page 8. During the year ended 31 December 2012 the Company has generated turnover of \$ 2.246k (2011: \$5 468k), profit after tax of \$205k (2011: loss of \$219k) and has net assets of \$206k as at 31 December 2012 (2011: \$616k).

Dividends

During the year, the Company declared dividends of \$614.272.

Review of significant risks

The Company is exposed to interest rate risk, credit risk and currency risk. The risk management policies employed by the Company to manage these risks are discussed below.

(a) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest-bearing assets. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company is not exposed to any material interest rate risk as the Company currently holds no significant interest bearing assets or liabilities.

(b) Credit risk

The Company is not exposed to any material credit risk as company's normal settlements period for trade receivables is less than a month and hence, all the trade receivables disclosed in note 9 have been recovered immediately after the year-end.

The Company's business is relying on only one customer. There is therefore increased credit risk and business risk.

Omega Commodities Limited

Directors' report for the year ended 31 December 2012 (continued)

(c) Currency risk

The Company does not have significant currency risk exposure as substantially all assets and liabilities are denominated in United States Dollars.

(d) Current financial and liquidity crises

The ongoing global liquidity crisis which commenced in the middle of 2008 has resulted in, among other things, a lower level of capital market funding, lower liquidity levels across the banking sector, and higher interbank lending rates. The uncertainties in the global financial market have also led to bank failures and bank rescues in the United States of America and Western Europe. Such circumstances could affect the ability of the Company and its customers to obtain new borrowings or re-finance its existing borrowings at terms and conditions similar to those applied to earlier transactions. The customers or borrowers of the Company may also be affected by the lower liquidity situation which could in turn impact their ability to repay their amounts owed and the level of transactions with the Company. The Company trades in a variety of geographical markets and at present is unable to accurately assess the effect of the current economic crisis on these markets and therefore its future trading and profitability. Management believes it is taking all the necessary measures to support the sustainability and growth of the Company's business in the current circumstances.

Directors

The director during the year was George Andreou.

Director's interests

The director does not have a beneficial interest in the share capital of the company.

Post balance sheet events

Due to increasing reductions in profitability, the Company carried out on minimal commodities trades from the period March 2011 to the date of signing of this report. However, the director is currently reviewing the commodities market for opportunities and actively seeking suitably profitable contracts.

There were no other material post balance sheet events, which have a bearing on the understanding of the financial statements.

Omega Commodities Limited**Directors' report
for the year ended 31 December 2012
(continued)****Auditors**

The auditors, BDO Limited will be reappointed in accordance with section 485 of the Companies Act 2006.

On behalf of the board,



George Andreou
Director

Date: 25/09/2013

Independent auditors' report to the members of Omega Commodities Limited

We have audited the financial statements of Omega Commodities Limited for the year ended 31 December 2012 on pages 8 to 20. 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 III or Part XVI of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters that 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 our assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, or opinions we have formed.

Respective responsibilities of director and auditors

As explained more fully in the Director's Responsibilities Statement (set out on page 2), 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 (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 constantly 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 Director's Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent 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 2012 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Practices; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006;

Emphasis of matters

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 14 to the financial statements concerning the transactions with related parties. The Company carried out a transaction with related party. Due to their nature such transactions may be carried out on terms they are not on arms length basis. There were no practicable audit procedures that we could carry out to confirm or otherwise whether all transactions with related parties were carried out on an arms length basis and in that regard we have relied upon management's representations.

In addition, we draw attention to note 16 to the financial statements which states that the Company has conducted minimal trade on commodities contracts since March 2011 up to the date of signing of these financial statements. However, the Company is still actively seeking suitably profitable contracts. These conditions indicate the existence of a material uncertainty which may cast doubt about the Company's ability to continue as a going concern. In the event that the Company is not considered to be a going concern, there would be no material effect on the financial position of the Company as at 31 December 2012 as presented in these financial statements

Opinion on other matter prescribed by 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.

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;



Karlos A Zangoulos (Senior statutory auditor)

For and behalf of BDO Ltd, Statutory Auditor
1 Erethiou Street
Antonis Zenios Tower
Engomi
2413 Nicosia
Cyprus

25/09/2013

**Profit and loss account
for the year ended 31 December 2012**

	<u>Note</u>	2012 <u>US\$</u>	2011 <u>US\$</u>
Turnover	3	2 246 198	5.468 623
Loan interest income		-	18.932
Cost of sales		(1 755.971)	(5 646.164)
Gross profit		<u>490.227</u>	<u>(158 609)</u>
Administrative expenses		(279 606)	(57.252)
Profit / (loss) on ordinary activities before interest payable	4	<u>210 621</u>	<u>(215.861)</u>
Interest receivable and similar income	5	390	1.562
Interest payable and similar charges	6	(6 102)	(11.041)
Profit / (loss) on ordinary activities before taxation		<u>204.909</u>	<u>(225.340)</u>
Taxation on profit on ordinary activities	7	(147)	6 474
Profit / (loss) on ordinary activities after taxation being profit for the financial year		<u>204 762</u>	<u>(218.866)</u>
		=====	=====

None of the company's activities were acquired or discontinued during the above two years and there were no recognized gains and losses for the current year and the previous financial year other than those included in the profit and loss account

The notes on pages 12 to 20 form part of these financial statements

**Balance sheet
as at 31 December 2012**

	<u>Note</u>	2012 <u>US\$</u>	2011 <u>US\$</u>
Fixed assets			
Tangible fixed assets	8	1 934	4 243
		<hr/>	<hr/>
Current assets			
Debtors	9	556 975	336 903
Cash at bank and in hand		259.239	417 400
		<hr/>	<hr/>
		816 214	754.303
		<hr/>	<hr/>
Creditors: amounts falling due within one year	10	(611 942)	(142 830)
		<hr/>	<hr/>
Net current assets		204.272	611 473
		<hr/>	<hr/>
Total assets less current liabilities		206 206	615 716
		<hr/>	<hr/>
Capital and reserves			
Called-up share capital	11	1 444	1 444
Retained profits	12	204 762	614 272
		<hr/>	<hr/>
Equity shareholders' funds	13	206.206	615.716
		<hr/>	<hr/>

The financial statements were approved by the director on 25/9/13



George Andreou
Director

The notes on pages 12 to 20 form part of these financial statements

**Cash flow statement
for the year ended 31 December 2012**

10

	2012 <u>US\$</u>	2011 <u>US\$</u>
Net cash inflow from operating activities (note 1)	432,198	676 085
Returns on investments and servicing of finance		
Exchange gain	349	1 562
Interest and bank charges paid	(6,061)	(11 041)
Interest received	35 757	-
Net cash flow from returns on investment and servicing of finance	462,243	666 606
Tax paid	(6 078)	-
Capital expenditure and financial investment		
Loan repayments received	-	300,000
Dividend declared	(614,272)	-
Net (decrease) / increase in cash in the period	(158,107) =====	966,606 =====

Note 1 - Reconciliation of operating profit to operating cashflows

	2012 <u>US\$</u>	2011 <u>US\$</u>
Operating (loss) / profit for the year	210 621	(215,861)
Depreciation charge	2 309	2,424
Interest receivable	-	(18,932)
Decrease / (Increase) in debtors	(255 829)	3 058 025
Decrease in stocks	-	776 328
Increase / (Decrease) in creditors	475 097	(2,925 899)
Net cash inflow from operating activities	432 198 =====	676 085 =====

**Cash flow statement
for the year ended 31 December 2012
(Continued)**

11

Note 2 - Reconciliation of net cash flow to movement in net funds (note 3)

	2012 <u>US\$</u>	2011 <u>US\$</u>
(Decrease) / Increase in cash during the period	(158.107)	966.606
Net funds at 1 January	417 346	(549 260)
	<u>259 239</u>	<u>417.346</u>
	=====	=====

Note 3 - Analysis of changes in net funds

	<u>US\$</u>	<u>US\$</u>	<u>US\$</u> At 31 December
	At 1 January 2012	Movement	2012
Cash at bank and in hand	417.400	(158.161)	259 239
Overdrafts	(54)	54	-
	<u>417 346</u>	<u>(158 107)</u>	<u>259.239</u>
	=====	=====	=====

The notes on pages 12 to 20 form part of these financial statements.

**Notes to the financial statements
for the year ended 31 December 2012****1 General*****Incorporation***

The company was incorporated in the United Kingdom, on 19 February 2001 as a limited liability company in accordance with the provisions of the companies Act 1985.

Its registered office is at Kenton House, Kenton Road 666, Harrow Middlesex HA3 9QN, United Kingdom.

The company's operations are carried out by its Cyprus Branch

Principal activity

The principal activity of the company during the year continues to be that of marketing feed and grain commodities.

The director draws attention to note 16 where it is stated that the Company has carried out minimal commodities trade since March 2011 up to the current date. However, the director is currently reviewing the commodities market for opportunities and actively seeking suitably profitable contracts

2 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

Basis of preparation

The financial statements, which are expressed in United States Dollars, have been prepared in accordance with Accounting Standards issued by the United Kingdom Accounting Standards Board, and the provisions of the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Revenue and expenditure recognition

Turnover comprises the invoice value of goods sold, net of trade discounts. Revenue is recognised at the moment that significant risks and rewards of ownership of the goods have been transferred to the buyer.

Other revenues and all expenditure are recognised as earned or incurred on an accruals basis

Notes to the financial statements for the year ended 31 December 2012

2 Accounting policies (continued)

Foreign currencies

The books and records of the company are maintained in United States Dollars, which is the principal operating and reporting currency of the company

Foreign currency transactions are translated into United States Dollars at the rate of exchange ruling at the time of the transaction. Monetary assets and liabilities, denominated in foreign currencies, are translated to United States Dollars at the rate of exchange ruling at the balance sheet date.

Exchange differences arising thereon are charged to the profit and loss account

Taxation

Provision is made for income tax on the taxable profit for the year at the appropriate rate in force

The company's operations are carried out by its Cyprus branch and are subject to taxation in Cyprus by virtue of the fact that the branch is managed and controlled from Cyprus by its Cyprus resident director

Fixed assets

All fixed assets are stated at historical cost less accumulated depreciation.

Depreciation is calculated using the straight-line method to write off the cost of the fixed asset over its estimated useful life. The annual depreciation rate is as follows

	%
Computer hardware	20
Computer software	33 1/3

Stocks

Stocks are stated at the lower of cost and net realizable value after making due allowance for obsolete and slow-moving stocks

Trade debtors

Trade debtors are carried at original invoice amount less provision made for doubtful debts based on a review of all outstanding amounts at the year-end. Bad debts are written off when identified.

Notes to the financial statements for the year ended 31 December 2012

3 Turnover

	2012 <u>US\$</u>	2011 <u>US\$</u>
Sales of commodities	1.698.436	5 459.483
Compensation received	547.762	9 140
	<u>2.246.198</u>	<u>5.468.623</u>
	=====	=====

Turnover represents the invoice value of commodities supplied by the company during the period, net of trade discounts, other sales discounts and VAT. During 2012, the Company also received compensation from a supplier for not fulfilling a contract (see note 9)

The turnover is attributable to one continuing activity, commodities trading, and is wholly generated from geographical markets outside the United Kingdom.

Analysis by geographical market:

	2012 <u>US\$</u>	2011 <u>US\$</u>
Europe	1 698 436	5.468.623
	<u>1 698.436</u>	<u>5.468.623</u>
	=====	=====

4 Profit from operations

Profit from operations is stated after charging the following:

	2012 <u>US\$</u>	2011 <u>US\$</u>
Directors Emoluments	-	-
Depreciation on tangible fixed assets - owned by company	2 309	2 424
Audit fees	4.627	4 210

Notes to the financial statements for the year ended 31 December 2012

5 Interest receivable and similar income

	2012 <u>US\$</u>	2011 <u>US\$</u>
Realized exchange differences	390	1 562
	<u>390</u>	<u>1.562</u>
	=====	=====

6 Interest payable and similar charges

	2012 <u>US\$</u>	2011 <u>US\$</u>
Bank charges and interest	6.033	7 800
Interest on bank overdraft	28	3 241
Realized exchange differences	41	-
	<u>6.102</u>	<u>11.041</u>
	=====	=====

7 Tax on profit on ordinary activities

	2012 <u>US\$</u>	2011 <u>US\$</u>
Corporation tax	-	-
Prior year taxes	147	-
Prior year exchange differences on tax creditors	-	(6 474)
	<u>147</u>	<u>(6 474)</u>
	=====	=====

The tax charge is in respect of Cyprus corporation tax computed at the rate of 10 per cent on the chargeable profit for the year with regard to the operations of the Company that are carried out through its Branch in Nicosia, Cyprus for the year ended 31 December 2012

The branch is managed and controlled in Cyprus and accordingly profits generated from its operations are subject to tax in the Cyprus Republic. The director is of the opinion that in accordance with the provisions of the Cyprus and the United Kingdom Treaty no further taxation is payable in the United Kingdom

Notes to the financial statements for the year ended 31 December 2012

7 Tax on profit on ordinary activities (cont.)

The tax assessed for the period differs from the standard rate of taxation applicable to the Company of 10% (2011: 10%). The differences are explained below:

	2012 <u>US\$</u>	2011 <u>US\$</u>
Profit on ordinary activities before tax	204.909	(225.340)
Tax at the applicable tax rate of 10% (2010: 10%)	20.491	(22.534)
Tax effect of expenses not deductible for tax purposes	231	242
Tax effect of allowances and income not subject to tax	(231)	(242)
Tax effect of tax losses brought forward	(20.491)	-
Additional tax	-	-
Prior year tax	147	-
Tax effect of tax loss for the year	-	22.534
Current tax charge for the year	<u>147</u>	<u>-</u>
	=====	=====

8 Tangible fixed assets

	Furniture, fixtures and office equipment <u>US\$</u>
Cost	
At 1 January 2012	9.294
Additions	-
Disposals	-
At 31 December 2012	<u>9.294</u>
Depreciation	
At 1 January 2012	5.051
Charge for the year	2.309
On disposals	-
At 31 December 2012	<u>7.360</u>
Net book value	
At 31 December 2012	<u>1.934</u>
At 31 December 2011	<u>4.243</u>

**Notes to the financial statements
for the year ended 31 December 2012**

9 Debtors

	2012 <u>US\$</u>	2011 <u>US\$</u>
Due within one year:		
Trade debtors (note 14)	-	292 003
Prepayments	843	1.813
Refundable VAT	8.088	7.330
Loan receivable (I)	-	35.757
Other receivables (II)	548.044	-
	<u>556 975</u>	<u>336 903</u>
Due after more than one year:		
Loan receivable (I)	-	-
	<u>556 975</u> =====	<u>336 903</u> =====

- (I) During 2008 the Company converted a receivable balance of \$504,150 from its related party Ideal Limited, to a loan. The loan was due for repayment by 11 December 2011 and carried interest at a rate of 10% per annum. The capital was fully repaid during the year end 31 December 2011 and remaining interest receivable of \$35 757 was repaid during the current year.
- (II) The amount receivable represents compensation receivable, in relation to a successful claim against a Greek supplier for breaching its obligation under supply contracts. The arbitrator has found in favour of the Company.

Due to doubts about the financial position of the Greek supplier, the Company is only recognising income when it is considered virtually certain to be received. The amount recognised as at 31 December 2012 represents the amount agreed with the Greek supplier and invoiced as being due as at 31 December 2012 under the first part of the award.

During 2013, the Company has agreed an additional amount due of US\$662,332, and as of the date of signing of these financial statements has received total proceeds of US\$831,100 out of the total compensation under the awards of US\$1,210,376.

Notes to the financial statements for the year ended 31 December 2012

10 Creditors: amounts falling due within one year

	2012 <u>US\$</u>	2011 <u>US\$</u>
Bank overdraft	-	54
Trade creditors	72.000	2.531
Trade creditor due to related party (note 14)	61 035	
Amount due to related party (note 14)	389 245	108.997
Other creditors	89.662	25.318
Taxation	-	5.931
	<u>611 942</u>	<u>142.831</u>
	=====	=====

11 Share capital

	2012 <u>US\$</u>	2011 <u>US\$</u>
Allotted, called up and fully paid		
1 000 ordinary shares of Stg£1 each	1 444	1 444
	=====	=====

12 Reconciliation of Reserves

	Profit and Loss Account <u>US\$</u>
Balance at 1 January 2012	614 272
Income for the year	204.762
Dividends paid	<u>(614.272)</u>
Balance at 31 December 2012	<u>204.762</u>
	=====

Notes to the financial statements for the year ended 31 December 2012

13 Reconciliation on movement of shareholders' funds

	2012 <u>US\$</u>
Retained profit for the financial year	204.762
Dividends paid	(614 272)
Opening shareholders' funds	615.716
Closing shareholders' funds	<u>206.206</u> =====

14 Related party transactions

The Company is owned by a number of individual shareholders, without any individual having a controlling interest. Therefore the Company does not have an ultimate controlling party.

Except as disclosed in note 9, the following transactions were carried out with parties related by virtue of common control.

	2012 <u>US\$</u>	2011 <u>US\$</u>
Sales	1.698.436 =====	4 131 672 =====
Fines and shortages (included in cost of sales)	61.079 =====	- =====
Balances due to shareholders (interest free, no set repayment terms)	389.245 =====	108 997 =====

**Notes to the financial statements
for the year ended 31 December 2012****14 Related party transactions (continued)**

	2012 <u>US\$</u>	2011 <u>US\$</u>
Trade receivable balance due from related company	- =====	292 003 =====
	2012 <u>US\$</u>	2011 <u>US\$</u>
Trade creditor due to related company	61 035 =====	- =====

15 Commitments and contingencies

Company's management is not aware of any other actual, pending or threatened claims against the company.

16 Post balance sheet events

Due to increasing reductions in profitability, the Company carried out on minimal commodities trades from the period March 2011 to the date of signing of this report. However, the director is currently reviewing the commodities market for opportunities and actively seeking suitably profitable contracts.

Except as disclosed in note 9, there were no other material post balance sheet events, which have a bearing on the understanding of the financial statements.

Auditors report on pages 6 and 7