

# Admiralty Holdings Limited

## UNAUDITED FINANCIAL STATEMENTS

for the period ended

31 May 2015

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COMPANIES HOUSE

Company Number: 04561727

# Admiralty Holdings Limited

## DIRECTORS AND OFFICERS

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### DIRECTORS

A C Millard  
B E Wootton

### SECRETARY

Quayseco Limited

### COMPANY NUMBER

04561727 (England and Wales)

### REGISTERED OFFICE

The United Kingdom Hydrographic Office  
Admiralty Way  
Taunton  
Somerset  
TA1 2DN

# Admiralty Holdings Limited

## DIRECTORS' REPORT

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The directors present their report and financial statements of Admiralty Holdings Limited for the 14 month period ended 31 May 2015.

### PRINCIPAL ACTIVITIES

The company was set up as a vehicle to enter into arrangements on behalf of The United Kingdom Hydrographic Office. Neither the company or any of its subsidiaries traded during the year.

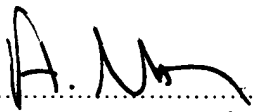
### DIRECTORS

The following directors have held office since 1 April 2014:

Rear Admiral T Karsten	(resigned 25/02/2015)
G D Lewis	(resigned 25/02/2015)
A C Millard	(appointed 25/02/2015)
I Moncrieff CBE	(resigned 25/02/2015)
Captain D Robertson	(resigned 25/02/2015)
S Rogers	(resigned 01/05/2014)
H L Tayler	(resigned 25/02/2015)
B E Wootton	

This report has been prepared in accordance with the special provisions applicable to companies entitled to the small companies exemption.

This report was approved by the directors and authorised for issue on 24 September 2015 and is signed on their behalf by

  
.....  
Director *A. MILLARD*  
24 September 2015

# Admiralty Holdings Limited

## STATEMENT OF FINANCIAL POSITION

As at 31 May 2015

Company Number: 04561727


	Notes	31 May 2015 £	31 March 2014 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in subsidiaries	6	9	10
<b>Total non-current assets</b>		<u>9</u>	<u>10</u>
<b>Current assets</b>			
Trade and other receivables	7	-	136,343
Cash and cash equivalents	8	6,933	41,136
		<u>6,933</u>	<u>177,479</u>
<b>TOTAL ASSETS</b>		<u><u>6,942</u></u>	<u><u>177,489</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	12	1	5,210,048
Retained earnings		-	(5,226,484)
<b>Equity attributable to owners of the company</b>		<u>1</u>	<u>(16,436)</u>
<b>Current liabilities</b>			
Borrowings	10	-	187,815
Trade and other payables	9	6,941	6,110
<b>Total current liabilities</b>		<u>6,941</u>	<u>193,925</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>6,942</u></u>	<u><u>177,489</u></u>

For the period ended 31 May 2015, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and its members have not required the directors to obtain an audit of its financial statements for the period in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 3 to 16 were approved by the directors and authorised for issue on 24 September 2015 signed on their behalf by

  
 .....  
 Director  
 A. MILLARD

# Admiralty Holdings Limited

## STATEMENT OF COMPREHENSIVE INCOME

for the period ended 31 May 2015

	Notes	14 months ended 31 May 2015 £	12 months ended 31 March 2014 £
Other operating (expenses)/income	1	(5,373)	8,362
Waiver of UKHO loan	10	13,451	-
<b>OPERATING PROFIT</b>		<b>8,078</b>	<b>8,362</b>
Profit on disposal of investment		20,471	-
Finance income	2	1,507	8
Finance costs	3	(31)	(92)
<b>PROFIT BEFORE TAX</b>	4	<b>30,025</b>	<b>8,278</b>
Taxation	5	-	-
<b>PROFIT FOR THE PERIOD</b>		<b>30,025</b>	<b>8,278</b>
Other comprehensive income for the period, net of tax		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>30,025</b>	<b>8,278</b>

The operating profit for the period arises from the company's operations which were discontinued during the prior period.

# Admiralty Holdings Limited

## STATEMENT OF CHANGES IN EQUITY

for the period ended 31 May 2015

	Attributable to owners of the company		
	Share Capital £	Retained Earnings £	Total Equity £
At 1 April 2013	5,210,048	(5,234,762)	(24,714)
Profit for the year	-	8,278	8,278
Other comprehensive income for the year	-	-	-
At 31 March 2014	5,210,048	(5,226,484)	(16,436)
Profit for the period	-	30,025	30,025
Reduction of share capital	(5,210,047)	5,210,047	-
Dividends	-	(13,588)	(13,588)
Other comprehensive income for the period	-	-	-
At 31 May 2015	1	-	1

### Share Capital

Share Capital represents the par value of ordinary shares issued by the company.

### Retained Earnings

Retained Earnings represent the cumulative profit and loss net of distributions to owners.

# Admiralty Holdings Limited

## STATEMENT OF CASH FLOWS

for the period ended 31 May 2015

	Notes	14 months ended 31 May 2015 £	12 months ended 31 March 2014 £
<b>OPERATING ACTIVITIES</b>			
Profit before tax		30,025	8,278
Adjustments for:			
Profit on disposal of investment		(20,471)	-
Loan and accumulated interest waived		(14,924)	-
Net finance (income)/cost		(3)	84
<b>NET CASH USED IN OPERATING ACTIVITIES BEFORE MOVEMENTS IN WORKING CAPITAL</b>		<b>(5,373)</b>	<b>8,362</b>
Decrease in trade and other receivables		136,343	-
Increase/(decrease) in trade and other payables		831	(11,700)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>		<b>131,801</b>	<b>(3,338)</b>
<b>FINANCING ACTIVITIES</b>			
Repayment of borrowings		(172,891)	-
Interest and similar charges paid		(31)	(92)
Dividends paid		(13,588)	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(186,510)</b>	<b>(92)</b>
<b>INVESTING ACTIVITIES</b>			
Interest received		34	8
Proceeds on disposal of investment		20,472	-
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>20,506</b>	<b>8</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(34,203)</b>	<b>(3,422)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>41,136</b>	<b>44,558</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>6,933</b>	<b>41,136</b>

# Admiralty Holdings Limited

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

for the period ended 31 May 2015

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### BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations as endorsed by the EU ("IFRS") and the requirements of the Companies Act applicable to companies reporting under IFRS. The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under s399 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it qualifies as a small group.

The company is a private company and is incorporated and domiciled in the UK.

### NON-GOING CONCERN

The company is financially dependent upon its immediate parent undertaking, the UKHO, for the provision of funding for any future expenditure for which the company currently has no income stream. The UKHO has confirmed its intention to continue to provide financial support such that the company will be able to meet its financial obligations as they fall due. The directors are therefore satisfied that no adjustments are required to the accounts to reflect a break up basis as a non-going concern.

### STANDARDS AND INTERPRETATIONS NOT APPLIED

At the date of authorisation of these financial statements there were relevant standards and interpretations which have not been applied in these financial statements that were in issue but not yet effective, as follows:

IFRS 13 - Fair Value Measurement

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the company when the relevant standards and interpretations come into effect.

### TAX

Tax expense represents the sum of the current tax expense and deferred tax expense.

Current tax payable is based on taxable profit for the period. Taxable profit differs from accounting profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The company's liability for current tax is measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Statement of Financial Position liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in profit and loss, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity, or items charged or credited directly to other comprehensive income, in which case the deferred tax is also recognised in other comprehensive income.



# Admiralty Holdings Limited

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

for the period ended 31 May 2015

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### FOREIGN CURRENCY

The functional and presentational currency of the company is £ Sterling.

Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the foreign currency rate of exchange ruling at the reporting date and differences are taken to profit and loss. Non-monetary assets and liabilities that are measured in a foreign currency are translated using the exchange rate as at the date of initial transaction. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated using the exchange rate at the date when the fair value was determined. Exchange gains and losses arising from translation are charged to the income statement as an operating item, except for exchange differences on non-monetary assets and liabilities, which are recognised directly in other comprehensive income when the changes in fair value are recognised directly in other comprehensive income.

To minimise the risk of changes in the currency markets cash at bank is held in sterling.

### REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue from the sale of investments is recognised when the beneficial interest in the investment passes and the asset is derecognised.

Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

### OPERATING PROFIT

Operating profit reflects the cost of the day to day activities of the company. It is shown net of sundry income where this income is not significant. Operating profit is stated before impairments or profit or loss on disposal of investments.

### CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the period end date and the reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from those estimates.

Significant areas involving management estimation are as follows:

- Recoverability of amounts due from subsidiaries

In making their assessments as to recoverability and impairment the directors consider the level of the subsidiary's assets; the historic performance of the entities; and the likely impact technological, economic and market conditions will have on the entities' future performance.

# Admiralty Holdings Limited

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

for the period ended 31 May 2015

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### FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the company has become a party to contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

#### Trade and other receivables

Trade and other receivables (including interest bearing receivables) are initially recognised at fair value and subsequently at amortised cost using the effective interest method less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that it is uncertain that the amount due can be collected. Movement in the provision charged or credited in the period is recognised in profit and loss.

#### Cash and cash equivalents

Cash and cash equivalents comprises cash in hand, deposits held at call with banks and other short term deposits with maturities of three months or less.

#### Investments in subsidiaries

Investments in subsidiaries are recorded at cost in the Statement of Financial Position. They are tested for impairment when there is objective evidence of impairment. Any impairment losses are debited to profit and loss in the period they occur.

#### Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

#### Borrowings

Borrowings are recognised initially at fair value net of transaction costs incurred and such interest bearing liabilities are subsequently stated at amortised cost. Borrowings are classified as long term borrowings when the company has an unconditional right to defer settlement of the liabilities for at least 12 months after the reporting date.

#### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the fair value of the proceeds received, net of direct issue costs.

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 May 2015

### 1. OTHER OPERATING EXPENSES

	2015 £	2014 £
Operating costs (net)	5,373	(8,362)

### 2. FINANCE INCOME

	2015 £	2014 £
Interest waived by UKHO on prior borrowings	1,473	-
Bank interest received	34	8
	<u>1,507</u>	<u>8</u>

### 3. FINANCE COSTS

	2015 £	2014 £
Bank charges	31	92

### 4. PROFIT BEFORE TAX

Profit before tax is stated after charging/(crediting)

	2015 £	2014 £
Profit on disposal of investment	(20,471)	-
Loss on foreign exchange	4,542	-
Waiver of UKHO loan and interest (note 10)	(14,924)	-

The company has no employees except the directors.

No directors received remuneration for their services as directors in the current or preceding period.

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 May 2015

### 5. TAXATION

	2015 £	2014 £
Current tax:		
Domestic	-	-
Deferred tax	-	-
Tax charge	<u>-</u>	<u>-</u>

Domestic income tax is calculated at 20% (2014: 20%) of the estimated assessable profit for the period.

The charge for the period can be reconciled to the result per the income statement as follows:

	2015 £	2014 £
Profit before tax	<u>29,577</u>	<u>8,278</u>
Profit on ordinary activities before tax multiplied by standard rate of UK income tax for small companies of 20% (2014: 20%)	5,915	1,656
Effects of:		
Non-taxable income	(2,690)	-
Non-deductible expenses	-	140
Tax losses utilised	(3,225)	(1,796)
Income tax expense	<u>-</u>	<u>-</u>

At 31 May 2015 there were unrelieved losses in the company of approximately £3,907,112 (2014: £3,920,563). No deferred tax asset has been recognised in the financial statements as, in the opinion of the directors, there is insufficient evidence that relief for the tax losses will be possible in future periods. The tax rate at which these differences could reverse is currently 20%.

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 May 2015

### 6. INVESTMENTS IN SUBSIDIARIES

	Shares in subsidiaries £
Cost:	
At 31 March 2014	10
Disposals	(1)
At 31 May 2015	9
Impairment:	
At 31 March 2014 and 31 May 2015	-
Net Book Value:	
31 March 2014	9
31 March 2014	10

Details of the company's subsidiaries at 31 May 2015 are as follows:

Name of company:	Country of registration or incorporation	Holding	% voting rights and shares held
Admiralty Limited	England	Ordinary	100
Admiralty Charts Limited	England	Ordinary	100
Admiralty Consultancy Limited	England	Ordinary	100
Admiralty Digital Limited	England	Ordinary	100
Admiralty Marine Limited	England	Ordinary	100
Admiralty Overseas Limited	England	Ordinary	100
Admiralty Sea Law Limited	England	Ordinary	100
Admiralty Services Limited	England	Ordinary	100
Admiralty Ventures Limited	England	Ordinary	100

The disposal represents the company's investment in the former subsidiary undertaking, Admiralty Hydrographic Asia Pacific Pte Ltd (AHAPP), which was liquidated during the period.

The company's subsidiary undertakings, which were acquired upon incorporation, are non-trading dormant companies. The subsidiary undertakings have not traded since incorporation and each have net assets of £1.

### 7. TRADE AND OTHER RECEIVABLES

	2015 £	2014 £
Amounts due from subsidiaries	-	136,343

All receivables are denominated in Sterling. No receivables are considered impaired or past due at the balance sheet date. The directors are of the opinion that the carrying amount best represents the maximum exposure to credit risk.

### 8. CASH AND CASH EQUIVALENTS

	2015 £	2014 £
Cash at bank	6,933	41,136

Cash at bank earns interest at floating rates based on daily Sterling bank deposit rates.

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 May 2015

### 9. TRADE AND OTHER PAYABLES

	2015 £	2014 £
Amounts due to subsidiaries	9	10
Accruals and deferred income	6,932	6,100
	<u>6,941</u>	<u>6,110</u>

All payables are denominated in Sterling.

### 10. BORROWINGS

	2015 £	2014 £
Amounts due to the United Kingdom Hydrographic Office	-	187,815
	<u>-</u>	<u>187,815</u>

Amounts due to The United Kingdom Hydrographic Office (UKHO) represented loans provided to the company to enable it to invest in subsidiary undertakings and other participating interests, and also to cover the costs of its operating activities. During the period, the company repaid £161,832 of the loans and £11,059 of accumulated interest. UKHO waived the remaining loan balance of £13,451 and accumulated interest of £1,473 during the period. Accordingly an amount of £14,924 has been credited to the income statement. The loans were unsecured and no interest was charged on the loans during either the current or prior periods.

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 May 2015

### 11. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

#### Financial instruments

The company's financial instruments comprise investments in subsidiaries, cash and cash equivalents, trade and other receivables, trade and other payables and borrowings.

The totals for each category of financial instruments, measured in accordance with IAS 39 as detailed in the accounting policies to these financial statements, are as follows:

	Notes	2015 £	2014 £
<b>Financial Assets</b>			
Investments in subsidiaries	6	9	10
Loans and receivables:-			
Cash and cash equivalents	8	6,933	41,136
Trade and other receivables	7	-	136,343
<b>Total Financial Assets</b>		<u>6,942</u>	<u>177,479</u>
<b>Financial Liabilities</b>			
Amortised cost:-			
Borrowings	10	-	187,815
Trade and other payables	9	6,941	6,110
<b>Total Financial Liabilities</b>		<u>6,941</u>	<u>193,925</u>

#### **Fair values of financial assets and liabilities**

The directors consider that the carrying amount of all its financial assets and liabilities approximates to their fair value. No interest was charged on the borrowings in the period (2014: Nil% interest).

#### Financial risks

The main risks the Company is exposed to through its financial instruments are foreign currency risk, interest rate risk, credit risk and liquidity risk.

#### **Foreign Currency Risk**

All significant assets and liabilities are held in sterling. Some cash balances are held in Euros and thus the company is exposed to a foreign exchange risk. The directors acknowledge this risk and aim to minimise losses by only converting to sterling when currency rates are beneficial.

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 May 2015

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### 11. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (Continued)

#### Interest Rate Risk

Interest rate risk on borrowings has been eliminated following removal of the interest bearing nature of the company's borrowings.

The company holds its cash in current accounts and on short term deposits which give rise to exposure to interest rate risk but the directors do not consider the risk to be significant.

#### Credit Risk

The company's credit risk arises mainly on the investment in, and amounts due from, subsidiary undertakings. At the balance sheet date £Nil (2014: £136,343) was due from subsidiary undertakings.

#### Liquidity Risk

The company receives working capital funding from The United Kingdom Hydrographic Office (UKHO).

Liquidity risk is managed through the on-going financial support of the UKHO both in terms of continuing the provision of borrowing in earlier periods and in providing funding for future expenditure. The directors' understanding is that repayment of any loans will only be demanded when the company is in a position to be able to repay the amounts due.

The company's capital management is dependent on the continued support of the UKHO.

#### Capital Management

Management's main objective when managing capital is to protect returns to shareholders. The company's debt and capital includes Ordinary share capital and financial liabilities.

There are no externally imposed capital requirements.

The company has not made any changes to its capital management during the period.

### 12. SHARE CAPITAL

	2015 £	2014 £
Issued and fully paid:		
1 Ordinary share (2014: 5,210,048 Ordinary shares) of £1 each	1	5,210,048

The company has one class of ordinary shares which carries no right to fixed income.

On the 29 April 2015 the company's issued share capital was reduced from 5,210,048 Ordinary shares of £1 each to 1 Ordinary share of £1.



# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 May 2015

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### 13. RELATED PARTY TRANSACTIONS

During the period the company held various loan accounts with The United Kingdom Hydrographic Office (UKHO). The repayment and waiving of amounts owed to UKHO during the period are detailed in note 10 to these financial statements.

Admiralty Hydrographic Asia Pacific Pte Ltd, a subsidiary of the company, was liquidated during the period. At the 1 April 2014, the company was owed £136,343 in loans and interest. These balances were repaid in full during the period.

Upon the incorporation of each of the company's nine subsidiary undertakings, one £1 ordinary share was issued at par to Admiralty Holdings Limited. At the reporting date, £1 was due from Admiralty Holdings Limited to each of its nine subsidiary undertakings.

### 14. ULTIMATE CONTROLLING PARTY

The whole of the ordinary share capital in issue is owned in the name of the office of the Secretary of State for Defence. The Secretary of State for Defence has delegated authority over this share capital to the Accounting Officer and Chief Executive of The United Kingdom Hydrographic Office. The United Kingdom Hydrographic Office is a trading fund within the Ministry of Defence established under the Government Trading Funds Act 1973 in the United Kingdom. The directors consider the ultimate controlling party to be The United Kingdom Hydrographic Office.

In view of the fact that The United Kingdom Hydrographic Office is reported as a part of the Ministry of Defence, which in turn is a part of the whole of government in the United Kingdom, the largest group of undertakings of which the company is a member, and for which group accounts are drawn up is the whole of government accounts for the United Kingdom. The smallest group of undertakings of which the company is a member and for which group accounts are drawn up is at the level of The United Kingdom Hydrographic Office. Copies of the group accounts can be obtained on application to the directors at the company's registered office address.

# Admiralty Holdings Limited

## ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS' OF ADMIRALTY HOLDINGS LIMITED ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2015

In order to assist you to fulfil your duties under the Companies Act 2006 and regulations thereunder, we prepared for your approval the financial statements of Admiralty Holdings Limited which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow, and the related notes as set out on pages 3 to 16 from the entity's accounting records and from information and explanations you have given us.

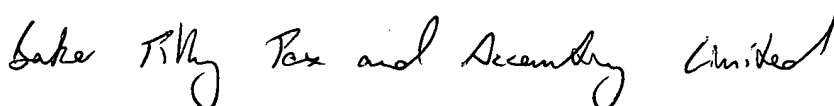
As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the board of directors' of Admiralty Holdings Limited as a body, in accordance with the terms of our engagement letter dated 26 April 2013. Our work has been undertaken solely to prepare for your approval the financial statements of Admiralty Holdings Limited and state those matters that we have agreed to state to them in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against Baker Tilly Tax and Accounting Limited for any purpose or in any context. Any party other than the designated members which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, Baker Tilly Tax and Accounting Limited will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to the directors' on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

It is your duty to ensure that Admiralty Holdings Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Admiralty Holdings Limited under the Companies Act 2006 and regulations thereunder.

We have not been instructed to carry out an audit or a review of the financial statements of Admiralty Holdings Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Baker Tilly Tax and Accounting Limited  
Chartered Accountants  
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Cross Lanes  
Guildford  
Surrey GU1 1UN

29<sup>th</sup> September 2015