

INVESTMENT TRUST LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

MONDAY



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INVESTMENT TRUST LIMITED

COMPANY INFORMATION

Directors	Mr. F.N. Kudsi Mrs. H. Kudsi
Company secretary	HK Nominees Limited
Registered number	05042763
Registered office	No. 1 London Bridge London SE1 9BG
Independent auditors	Moore Stephens LLP Registered Auditors 150 Aldersgate Street London EC1A 4AB

INVESTMENT TRUST LIMITED

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INVESTMENT TRUST LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

Business review

2014 was a difficult year for our company where one of our development advisory contracts was terminated as the client decided to sell the property rather than develop it. We were expecting to complete two property acquisitions but only one property was acquired for one of our clients.

At the end of the year we managed to renegotiate an existing property development contract at much better terms than before. Our contracted annual fee now represents 60% of our operating costs.

After two years of continuous profits unfortunately our company suffered a loss of £69,165 due to the reasons mentioned above.

Principal risks and uncertainties

By the beginning of 2015 we have indications that one of our contracts will continue after planning application has been agreed where our company will receive the contractual bonus in the first part of the year as stipulated in the contract. Furthermore we are working on extending a mezzanine loan provided by one of our clients for one further year to April 2016 where a renegotiation fee is due to our company. Our corporate finance contract related to an industrial project in the Middle East has been increased since the beginning of the year with a higher income level compared to last year.

Furthermore we are working on a number of potential acquisitions for and on behalf of our clients and we are confident that our business plan and revenue targets will be satisfied in 2016.

This report was approved by the board on 31/3/15 and signed on its behalf.

.....
Mr. F.N. Kudsi
Director

INVESTMENT TRUST LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 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 judgments 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;
- 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.

Results and Dividends

The loss for the year, after taxation, amounted to £69,165 (2013 - profit £40,262).

Directors

The directors who served during the year were:

Mr. F.N. Kudsi
Mrs. H. Kudsi

INVESTMENT TRUST LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

Auditors

The auditors, Moore Stephens LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on

31/3/15

and signed on its behalf.

.....
Mr. F.N. Kudsi
Director

INVESTMENT TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF INVESTMENT TRUST LIMITED

We have audited the financial statements of Investment Trust Limited for the year ended 31 December 2014, set out on pages 6 to 16. 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 Auditors' 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 directors and auditors

As explained more fully in the Directors' responsibilities statement, 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.

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 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 31 December 2014 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INVESTMENT TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF INVESTMENT TRUST LIMITED

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.

Kelly Sheppard (Senior statutory auditor)
for and on behalf of

Moore Stephens LLP, Statutory Auditor

150 Aldersgate Street

London

EC1A 4AB

Date: 31 March 2015

Kelly Sheppard

INVESTMENT TRUST LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
TURNOVER	1,2	486,861	749,224
Administrative expenses		<u>(555,905)</u>	<u>(709,334)</u>
OPERATING (LOSS)/PROFIT	3	(69,044)	39,890
Interest receivable and similar income		851	372
Interest payable and similar charges	7	<u>(22)</u>	<u>-</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(68,215)	40,262
Tax on (loss)/profit on ordinary activities	8	<u>(950)</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	13	<u>(69,165)</u>	<u>40,262</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 9 to 16 form part of these financial statements.

INVESTMENT TRUST LIMITED
REGISTERED NUMBER: 05042763

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	9		7,737		18,446
CURRENT ASSETS					
Debtors	10	175,966		232,456	
Cash at bank and in hand		109,489		29,404	
		<u>285,455</u>		<u>261,860</u>	
CREDITORS: amounts falling due within one year	11	<u>(173,191)</u>		<u>(91,822)</u>	
NET CURRENT ASSETS			<u>112,264</u>		<u>170,038</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>120,001</u>		<u>188,484</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	12		<u>(682)</u>		<u>-</u>
NET ASSETS			<u><u>119,319</u></u>		<u><u>188,484</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		365,000		365,000
Profit and loss account	14		<u>(245,681)</u>		<u>(176,516)</u>
SHAREHOLDERS' FUNDS	15		<u><u>119,319</u></u>		<u><u>188,484</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

31 March 2015

.....
Mr. F.N. Kudsi
 Director

The notes on pages 9 to 16 form part of these financial statements.

INVESTMENT TRUST LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	16	78,801	(27,131)
Returns on investments and servicing of finance	17	829	372
Taxation		-	(54)
Capital expenditure and financial investment	17	455	(4,219)
INCREASE/(DECREASE) IN CASH IN THE YEAR		80,085	(31,032)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 £	2013 £
Increase/(Decrease) in cash in the year	80,085	(31,032)
MOVEMENT IN NET DEBT IN THE YEAR	80,085	(31,032)
Net funds at 1 January 2014	29,404	60,436
NET FUNDS AT 31 DECEMBER 2014	109,489	29,404

The notes on pages 9 to 16 form part of these financial statements.

INVESTMENT TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Fee income

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings	-	20% straight line
Office equipment	-	33.33% straight line

1.4 Operating leases

Operating leases are charged to the profit and loss account in equal installments over the life of the lease. Benefits received and receivable as an incentive to sign an operating lease are spread on a straight line basis over the lease term.

1.5 Deferred taxation

Deferred tax 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. The current tax rates and law have been used as the basis of those which are expected to apply on crystallisation.

Timing differences arise from the inclusion of items within the income and expenditure in taxation computations in the periods different from those on the 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.

1.6 Foreign currencies

Transactions in foreign currencies are recorded 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 ruling at that date. Exchange differences arising are taken to the profit and loss account.

2. TURNOVER

Revenue is attributable to the principal activities of the company and represents fee income receivable.

INVESTMENT TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

3. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	10,456	10,782
- Land and building operating leases		
- other operating leases	90,000	90,000
Difference on foreign exchange	(94)	(972)
Profit on disposal	(202)	-
	<u> </u>	<u> </u>

4. AUDITORS' REMUNERATION

	2014 £	2013 £
Fees payable to the company's auditor for the audit of the company's annual accounts	7,550	7,150
Fees payable to the company's auditor in respect of:		
Other services in relation to taxation	3,550	1,950
Services relating to recruitment and remuneration	2,828	1,848
All other services	18,205	14,407
	<u> </u>	<u> </u>

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	246,430	345,627
Social security costs	29,866	53,005
Other benefits	11,955	10,078
	<u> </u>	<u> </u>
	<u>288,251</u>	<u>408,710</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014	2013
Administration	5	4
	<u> </u>	<u> </u>

INVESTMENT TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

6. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	<u>157,507</u>	<u>206,378</u>

The highest paid director received remuneration of £155,507 (2013 - £204,378).

7. INTEREST PAYABLE

	2014 £	2013 £
On bank loans and overdrafts	<u>22</u>	<u>-</u>

8. TAXATION

	2014 £	2013 £
Analysis of tax charge in the year		
Deferred tax (see note 12)		
Origination and reversal of timing differences	<u>950</u>	<u>-</u>
Tax on (loss)/profit on ordinary activities	<u>950</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - lower than) the standard rate of corporation tax in the UK of 20% (2013 - 20%). The differences are explained below:

	2014 £	2013 £
(Loss)/profit on ordinary activities before tax	<u>(68,215)</u>	<u>40,262</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2013 - 20%)	<u>(13,643)</u>	<u>8,052</u>
Effects of:		
Expenses not deductible for tax purposes	818	4,317
Capital allowances for year in excess of depreciation	1,917	1,313
Carried forward / utilisation of tax losses	10,908	(13,682)
Current tax charge for the year (see note above)	<u>-</u>	<u>-</u>

INVESTMENT TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

8. TAXATION (continued)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

9. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Office equipment £	Total £
Cost			
At 1 January 2014	8,465	55,253	63,718
Disposals	-	(455)	(455)
At 31 December 2014	<u>8,465</u>	<u>54,798</u>	<u>63,263</u>
Depreciation			
At 1 January 2014	7,384	37,888	45,272
Charge for the year	910	9,546	10,456
On disposals	-	(202)	(202)
At 31 December 2014	<u>8,294</u>	<u>47,232</u>	<u>55,526</u>
Net book value			
At 31 December 2014	<u>171</u>	<u>7,566</u>	<u>7,737</u>
At 31 December 2013	<u>1,081</u>	<u>17,365</u>	<u>18,446</u>

10. DEBTORS

	2014 £	2013 £
Due after more than one year		
Other debtors	-	22,500
Due within one year		
Trade debtors	116,615	124,282
Other debtors	27,053	53,694
Prepayments and accrued income	32,298	31,712
Deferred tax asset (see note 12)	-	268
	<u>175,966</u>	<u>232,456</u>

Included within other debtors is a rental deposit of £22,500 (2013 - £22,500) that is subject to a rent deposit deed.

INVESTMENT TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

11. CREDITORS:

Amounts falling due within one year

	2014 £	2013 £
Trade creditors	11,510	3,773
Other taxation and social security	57,674	42,660
Other creditors	83,400	5,257
Accruals and deferred income	20,607	40,132
	<u>173,191</u>	<u>91,822</u>

12. DEFERRED TAXATION

	2014 £	2013 £
At 1 January	268	268
Released during/(charged for) year (P&L)	(950)	-
At end of year	<u>(682)</u>	<u>268</u>

The deferred taxation balance is made up as follows:

	2014 £	2013 £
Timing differences relating to capital allowances	<u>(682)</u>	<u>268</u>

The company has unused trading losses of £295,215 (2013 - £301,686). No deferred tax asset has been recognised in respect of the unused trading losses due to the unpredictability of future profit streams.

13. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
365,000 Ordinary shares of £1 each	<u>365,000</u>	<u>365,000</u>

INVESTMENT TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

14. RESERVES

	Profit and loss account £
At 1 January 2014	(176,516)
Loss for the year	(69,165)
At 31 December 2014	<u>(245,681)</u>

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	188,484	148,222
(Loss)/profit for the financial year	(69,165)	40,262
Closing shareholders' funds	<u>119,319</u>	<u>188,484</u>

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating (loss)/profit	(69,044)	39,890
Depreciation of tangible fixed assets	10,456	10,782
Profit on disposal of tangible fixed assets	(202)	-
Decrease/(increase) in debtors	56,222	(68,591)
Increase/(decrease) in creditors	81,369	(9,212)
Net cash inflow/(outflow) from operating activities	<u>78,801</u>	<u>(27,131)</u>

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	851	372
Interest paid	(22)	-
Net cash inflow from returns on investments and servicing of finance	<u>829</u>	<u>372</u>

INVESTMENT TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	-	(4,219)
Sale of tangible fixed assets	455	-
Net cash inflow/(outflow) from capital expenditure	<u>455</u>	<u>(4,219)</u>

18. ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2014 £	Cash flow £	Other non-cash changes £	31 December 2014 £
Cash at bank and in hand	29,404	80,085	-	109,489
Net funds	<u>29,404</u>	<u>80,085</u>	<u>-</u>	<u>109,489</u>

19. FINANCIAL COMMITMENT

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2014 £	2013 £
Expiry date:		
Within 1 year	75,000	-
Between 2 and 5 years	<u>-</u>	<u>90,000</u>

INVESTMENT TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

20. RELATED PARTY TRANSACTIONS

During the year the company paid expenses on behalf of Mr. F.N. Kudsi of £14,640 (2013 - £47,251) which were then reimbursed to the company during the period. At the year end Mr. F.N. Kudsi owed £928 to the company (2013 - £NIL). No interest was charged on these balances and there are no fixed terms for repayment.

During the year the company advanced a loan of £NIL (2013 - £76,206) to Mr. F.N. Kudsi. Interest of £849 (2013 - £308) was charged on the loan. The loan has no fixed repayment date. At the year end Mr F.N. Kudsi owed £NIL (2013 - £50,088) to the company.

During the year Mr. F.N. Kudsi advanced the company a loan of £126,500 (2013 - £NIL). Interest of £NIL (2013 - £NIL) was charged on the loan. The loan has no fixed repayment date. At the year end Mr F.N. Kudsi is owed £81,000 (2013 - £NIL) from the company.

During the year Mr. F.N. Kudsi purchased office equipment with a value of £253 (2013 - £NIL) from the company, resulting in a profit on sale of fixed assets of £202 (2013 - £NIL).

During the year the company received £58,092 (2013 - £152,796) management fees and received expense reimbursements of £2,114 (2013 - £9,132) from Syrian Sugar Refinery Holding Limited (SSRH), a Jersey established company. This is a related party due to common directorship with Mr. F.N. Kudsi.

At the year end SSRH owed £16,477 (2013 - £12,293) to the company.

21. CONTROLLING PARTY

The ultimate controlling party is Mr. F.N. Kudsi by the virtue of his shareholding.