

Company Registration No 05517661 (England and Wales)

FLAGSHIP SECURITIES LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

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FLAGSHIP SECURITIES LIMITED

COMPANY INFORMATION

Director	HN Sharif
Secretary	W Ahmed
Company number	05517661
Registered office	Tower Bridge House St Katharine's Way London E1W 1DD
Auditors	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD

FLAGSHIP SECURITIES LIMITED

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FLAGSHIP SECURITIES LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2007

The director presents his report and financial statements for the year ended 31 March 2007

Principal activities

The principal activity of the company continued to be that of trading in securities

Director

The following director has held office since 1 April 2006

HN Sharif

Director's interests

The director's interest in the shares of the company was as stated below

	Ordinary shares of £1 each	
	31 March 2007	1 April 2006
HN Sharif	-	-

HN Sharif has an interest in the shares of the company by virtue of his holding in the shares of Flagship Investments Ltd, the parent company

Auditors

With effect from 16 April 2007, MRI Moores Rowland LLP merged its business with that of Mazars LLP following which MRI Moores Rowland LLP resigned as auditors to the company. The directors appointed Mazars LLP to fill the casual vacancy thus caused and, in accordance with section 385 of the Companies Act 1985, a resolution to reappoint Mazars LLP will be put to the Annual General Meeting.

FLAGSHIP SECURITIES LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2007

Director's responsibilities

The director is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the director to prepare financial statements for each financial year which 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 those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. 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 irregularities


Statement of disclosure to auditor

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

On behalf of the board



HN Sharif

Director

24/01/2008

FLAGSHIP SECURITIES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDER OF FLAGSHIP SECURITIES LIMITED

We have audited the financial statements of Flagship Securities Limited for the year ended 31 March 2007 set out on pages 5 to 11. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the director and auditors

As described in the statement of director's responsibilities on page 2, the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We report to you whether, in our opinion, the information given in the director's report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read any other information contained in the financial statements and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

FLAGSHIP SECURITIES LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDER OF FLAGSHIP SECURITIES LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2007 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the director's report is consistent with the financial statements



Mazars LLP

24-1-08

Chartered Accountants

Registered Auditor

Tower Bridge House
St Katharine's Way
E1W 1DD

FLAGSHIP SECURITIES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2007

	Notes	2007 £	2006 £
Turnover	2	259,481	34,808
Administrative expenses		(68,892)	(7,433)
Operating profit	3	190,589	27,375
Investment income	4	25,121	1,746
Interest receivable and similar income	4	8,476	48
Interest payable and similar charges		(24,482)	(5,571)
Profit on ordinary activities before taxation		199,704	23,598
Tax on profit on ordinary activities	5	(2,214)	-
Profit for the year	11	197,490	23,598

FLAGSHIP SECURITIES LIMITED


BALANCE SHEET

AS AT 31 MARCH 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	6		2,107		-
Current assets					
Debtors	7	160,057		5,683	
Investments	8	731,888		156,602	
Cash at bank and in hand		1,004,069		72,913	
		<u>1,896,014</u>		<u>235,198</u>	
Creditors amounts falling due within one year	9	<u>(1,676,933)</u>		<u>(211,500)</u>	
Net current assets			<u>219,081</u>		<u>23,698</u>
Total assets less current liabilities			<u>221,188</u>		<u>23,698</u>
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account	11		221,088		23,598
Shareholder's funds			<u>221,188</u>		<u>23,698</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Approved by the Board for issue on 24/01/2008


HN Shanf
Director

FLAGSHIP SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents the net profit on securities trading after accounting for all relevant expenses

1.4 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 less estimated residual value of each asset over its expected useful life, as follows

Office equipment	25% reducing balance basis
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1.5 Investments

Current asset investments are stated at the lower of cost and net realisable value

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

2 Turnover

All turnover was derived from operations in the United Kingdom

3 Operating profit

	2007	2006
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	140	-
Auditors' remuneration	7,286	6,000

FLAGSHIP SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2007

4	Investment income	2007	2006
		£	£
	Dividends from current asset investments	25,121	1,746
	Bank interest	8,476	48
		<u>33,597</u>	<u>1,794</u>
5	Taxation	2007	2006
		£	£
	Domestic current year tax		
	U K corporation tax	2,214	-
	Current tax charge	<u>2,214</u>	<u>-</u>
6	Tangible fixed assets		
			Office equipment
			£
	Cost		
	At 1 April 2006		-
	Additions		2,247
	At 31 March 2007		<u>2,247</u>
	Depreciation		
	At 1 April 2006		-
	Charge for the year		140
	At 31 March 2007		<u>140</u>
	Net book value		
	At 31 March 2007		<u>2,107</u>

FLAGSHIP SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2007

7 Debtors	2007	2006
	£	£
Amounts owed by related undertaking	101,958	-
Amounts owed by parent undertaking	7,362	5,583
Other debtors	50,737	100
	<u>160,057</u>	<u>5,683</u>
8 Current asset investments	2007	2006
	£	£
Other investments	<u>731,888</u>	<u>156,602</u>
Included in the above figure is £843,946 (2006 £47,356) less impairment of £125,868 (2006 £nil) relating to the cost of listed investments. The market value of these at the year end was £793,312 (2006 £50,588)		
9 Creditors amounts falling due within one year	2007	2006
	£	£
Amounts owed to related undertakings	1,562,318	-
Taxation and social security	2,214	-
Other creditors	112,401	211,500
	<u>1,676,933</u>	<u>211,500</u>
10 Share capital	2007	2006
	£	£
Authorised		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

FLAGSHIP SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2007

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2006	23,598
Profit for the year	197,490
Balance at 31 March 2007	<u>221,088</u>

12 Financial commitments

At 31 March 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2008

	2007 £	2006 £
Operating leases which expire in over five years	<u>115,668</u>	<u>-</u>

13 Control

The ultimate parent company is Flagship Investments Limited, a company registered in England and Wales

The ultimate controlling party is HN Sharif, by virtue of his interest in the share capital of Flagship Investments Limited

FLAGSHIP SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2007

14 Related party transactions

Included in debtors is an amount of £7,362 (2006 £5,583) due by Flagship Investments Limited

Included in creditors is an amount of £1,562,318 (2006 £nil) due to Que Holdings Limited, a company under common ownership

Included in debtors is an amount of £34,466 (2006 £nil) due by Quint Eaton Place No 2 Limited, a company under common ownership

Included in debtors is an amount of £33,746 (2006 £nil) due by Quint Gloucester Place Limited, a company under common ownership

Included in debtors is an amount of £33,746 (2006 £nil) due by Quint Limited, a company under common ownership

Included in administrative expenses is a credit amount of £168,730 (2006 £nil) relating to the recharge of staff and office costs between the parent company and the companies under common ownership, Que Holdings Ltd, Quint Ltd, Quint Gloucester Place Ltd and Quint Eaton Place No 2 Ltd. The amount has been recharged equally to each company