

# **Flagship Securities Limited**

Registered number: 05517661

## **Director's report and financial statements**

**For the year ended 31 March 2009**

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# FLAGSHIP SECURITIES LIMITED

## COMPANY INFORMATION

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<b>Director</b>	HN Sharif
<b>Company secretary</b>	W Ahmed
<b>Company number</b>	05517661
<b>Registered office</b>	Tower Bridge House St Katharine's Way London E1W 1DD
<b>Auditors</b>	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 2009**

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The director presents his report and the financial statements for the year ended 31 March 2009.

### **Principal activities**

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

### **Director**

The director who served during the year was:

HN Sharif

### **Statement of director's responsibilities**

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 that 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.

### **Provision of information to auditors**

The director at the time when this director's 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 information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

# FLAGSHIP SECURITIES LIMITED

## DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2009

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### Auditors

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

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

This report was approved by the board on 04/09/2009 and signed on its behalf.

  
HN Sharif  
Director

# **FLAGSHIP SECURITIES LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF FLAGSHIP SECURITIES LIMITED**

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We have audited the financial statements of Flagship Securities Limited for the year ended 31 March 2009, which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's member 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 member those matters we are required to state to him 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 member for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of director and auditors**

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of director's responsibilities.

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 also report to you whether in our opinion the information given in the director's report is consistent with the financial statements.

In addition we 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 other transactions is not disclosed.

We read the director's report 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 judgments 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 TO THE SHAREHOLDER OF FLAGSHIP SECURITIES LIMITED

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### 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 2009 and of its loss for the year then ended;
- the financial statements have been prepared in accordance with the Companies Act 1985; and
- the information given in the director's report is consistent with the financial statements.

### Emphasis of Matter - Going concern

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the ability of the company to continue as a going concern. The condition described in that note indicates the existence of a material uncertainty, which may cast significant doubt about the company's ability to continue as a going concern.



**Mazars LLP**

Chartered Accountants  
Registered Auditor

Tower Bridge House  
St Katharine's Way  
London  
E1W 1DD

Date: 04/09/2009

# FLAGSHIP SECURITIES LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2009

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	Note	2009 £	2008 £
Turnover	1	56,259	(158,178)
Administration expenses		(81,178)	(214,348)
		<hr/>	<hr/>
Operating loss	3	(24,919)	(372,526)
Income from current asset investments		-	1,799
Interest receivable	4	3,525	5,079
Interest payable		(6,159)	(12,592)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(27,553)	(378,240)
Tax on loss on ordinary activities	5	-	2,214
		<hr/>	<hr/>
Loss for the financial year	11	(27,553)	(376,026)
		<hr/>	<hr/>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There were no recognised gains and losses for 2009 and 2008 other than those included in the profit and loss account.

The notes on pages 7 to 12 form part of these financial statements.



# FLAGSHIP SECURITIES LIMITED

## BALANCE SHEET AS AT 31 MARCH 2009

	Note	£	2009 £	£	2008 £
<b>Fixed assets</b>					
Tangible fixed assets	6		1,650		1,580
<b>Current assets</b>					
Debtors	7	416,552		255,507	
Cash at bank and in hand		30,700		10,332	
		<u>447,252</u>		<u>265,839</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(231,076)</u>		<u>(272,257)</u>	
<b>Net current assets/(liabilities)</b>			216,176		(6,418)
<b>Total assets less current liabilities</b>			<u>217,826</u>		<u>(4,838)</u>
<b>Creditors: amounts falling due after more than one year</b>	9		<u>(400,217)</u>		<u>(150,000)</u>
<b>Net liabilities</b>			<u>(182,391)</u>		<u>(154,838)</u>
<b>Capital and Reserves</b>					
Called up share capital	10		100		100
Profit and loss account	11		<u>(182,491)</u>		<u>(154,938)</u>
<b>Shareholder's (deficit)/funds</b>			<u>(182,391)</u>		<u>(154,838)</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
04/09/2009



**HN Sharif**  
Director

The notes on pages 7 to 12 form part of these financial statements.

# FLAGSHIP SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

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### 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 the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements have been prepared on the going concern basis. Due to the financial position of the company, the validity of this basis is conditional upon the continued support of the director, who is also the sole shareholder of the parent company.

The director of the company has confirmed that he will not demand payment of the amounts due to him or payment of the amounts due to the parent company for at least the next 12 months from the date of approval of these accounts. The director has further confirmed that he will provide financial support should the related party of the company demand repayment of the loans. The director is not, however, legally bound by these assurances.

Should the company be unable to continue trading as a result of withdrawal of support from the director, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide for any further liability which might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

#### 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 where otherwise stated).

#### 1.3 Turnover

Turnover represents the net profit on securities trading after accounting for all 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	25% reducing balance basis
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# FLAGSHIP SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

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### 1. Accounting policies (continued)

#### 1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

#### 1.6 Investments

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

#### 1.7 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 the profit and loss account.

#### 1.8 Corresponding Amounts

In certain cases the director has reanalysed corresponding amounts in order to make their disclosure more meaningful.

### 2. Turnover

All turnover is attributable to the United Kingdom.

### 3. Operating loss

The operating loss is stated after charging:

	2009 £	2008 £
Depreciation of tangible fixed assets:		
- owned by the company	550	527
Auditors' remuneration	8,138	7,867
	<hr/>	<hr/>

During the year, the director did not receive any emoluments (2008 - £nil).

# FLAGSHIP SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

### 4. Interest receivable

	2009 £	2008 £
Bank interest	3,525	5,079

### 5. Taxation

	2009 £	2008 £
<b>Analysis of tax charge/(credit) in the year</b>		
UK corporation tax charge on loss for the year	-	-
Adjustments in respect of prior periods	-	(2,214)
<b>Tax on loss on ordinary activities</b>	-	(2,214)

### 6. Tangible fixed assets

	Office equipment £
<b>Cost</b>	
At 1 April 2008	2,247
Additions	620
At 31 March 2009	2,867
<b>Depreciation</b>	
At 1 April 2008	667
Charge for the year	550
At 31 March 2009	1,217
<b>Net book value</b>	
At 31 March 2009	1,650
At 31 March 2008	1,580

# **FLAGSHIP SECURITIES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009**

### **7. Debtors**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Amounts owed by related undertakings	413,268	248,629
Other debtors	3,284	6,878
	<u>416,552</u>	<u>255,507</u>

### **8. Creditors: Amounts falling due within one year**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Amounts owed to parent company	208,490	175,274
Social security and other taxes	2,640	6,940
Other creditors	19,946	90,043
	<u>231,076</u>	<u>272,257</u>

### **9. Creditors: Amounts falling due after more than one year**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Other creditors	<u>400,217</u>	<u>150,000</u>

### **10. Share capital**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
<b>Allotted, called up and fully paid</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

# FLAGSHIP SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

### 11. Reserves

	Profit and loss account £
At 1 April 2008	(154,938)
Loss for the year	(27,553)
At 31 March 2009	<u>(182,491)</u>

### 12. Operating lease commitments

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as follows:

	2009 £	2008 £
<b>Expiry date:</b>		
After more than five years	<u>132,192</u>	<u>132,192</u>

### 13. Related party transactions

Included in debtors is an amount of £309,423 (2008: £114,701) due from Que Holdings Limited, a company under common ownership.

Included in debtors is an amount of £nil (2008: £84,012) due from Quint Gloucester Place Limited, a company under common ownership.

Included in debtors is an amount of £103,845 (2008: £49,916) due from Quint Paddington Limited, a company under common ownership.

Included in creditors is an amount of £208,490 (2008: £175,274) due to Flagship Investments Limited, the parent company.

Included in creditors due after more than one year, is an amount of £150,000 (2008: £150,000) owed to Coomber Group, a company incorporated in the British Virgin Islands and owned by a close family member of HN Sharif.

Included in creditors due after more than one year is an amount of £250,217 (2008: nil) owed to HN Sharif.

Included in administration expenses is a credit amount of £190,320 (2008: £196,732) relating to the recharge of staff and office costs between the parent company and the companies under common ownership, Que Holdings Limited, Quint Gloucester Place Limited and Quint Paddington Limited. The amount has been recharged equally to each company.

# **FLAGSHIP SECURITIES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009**

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### **14. 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 100% holding in the parent company.