

**Company's Registered Number: 06410031**

**LOTA EUROPE LIMITED**

**Unaudited report and accounts  
for the year ended**

**31 DECEMBER 2010**

TUESDAY



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# **LOTA EUROPE LIMITED**

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**LOTA EUROPE LIMITED**

**DIRECTOR'S AND ADVISERS**

**Director**

Yaya Chen

**Secretary**

Jordan Company Secretaries Limited

**Registered office**

20-22 Bedford Row  
London  
WC1R 4JS

**Bankers**

HSBC  
PO Box 88  
The Parade  
Leamington Spa  
Warwickshire, CV31 1XT

**Accountants and tax advisers**

Smith & Williamson Limited  
Chartered Accountants  
25 Moorgate  
London EC2R 6AY

**Company's registered number**

06410031

## **LOTA EUROPE LIMITED**

### **DIRECTOR'S REPORT**

The director present his report and the accounts for the year to 31 December 2010

#### **Principal activities**

The principal activity of the company continues to be the provision of sales and support services to the manufacturing industry


#### **Director**

The director of the company at 31 December 2010, who served throughout the period, was

Yaya Chen

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies

**Approved by the board of directors  
and signed on behalf of the board**



Y Chen  
Director

# Smith & Williamson

## ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF LOTA EUROPE LIMITED

In accordance with our engagement letter dated 14 December 2009, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11 from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements

You have acknowledged on the balance sheet for the year ended 31 December 2010 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year ended 31 December 2010

We have not been instructed to carry out an audit of the financial statements. 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 accounts

*Smith & Williamson*

Smith & Williamson  
Chartered Accountants

22 March 2011

25 Moorgate  
London  
EC2R 6AY

## LOTA EUROPE LIMITED

### PROFIT AND LOSS ACCOUNT for the year ended 31 December 2010

	Notes	2010 £	2009 £
Turnover	2	230,034	402,329
Administrative expenses		(190,269)	(383,645)
<b>Operating profit</b>		<b>39,765</b>	<b>18,684</b>
Interest payable and similar expenses		(49)	-
Interest receivable and similar income		42	2
<b>Profit on ordinary activities before taxation</b>		<b>39,758</b>	<b>18,686</b>
Tax on profit on ordinary activities	5	(9,380)	(3,518)
<b>Retained profit for the financial year</b>	9	<b>30,378</b>	<b>15,168</b>

All of the company's operations are classed as continuing. There were no gains or losses in either year other than those included in the above profit and loss account.

# LOTA EUROPE LIMITED

## BALANCE SHEET as at 31 December 2010 Company's Registered Number: 06410031

	Notes	2010 £	2009 £
<b>Current assets</b>			
Debtors	6	32,549	28,542
Cash at bank and in hand		68,769	49,894
		<hr/>	<hr/>
		101,318	78,436
<b>Creditors: amounts falling due within one year</b>	7	(12,630)	(20,126)
		<hr/>	<hr/>
<b>Net current assets</b>		88,688	58,310
		<hr/>	<hr/>
<b>Net assets</b>		88,688	58,310
		<hr/>	<hr/>
<b>Shareholders' equity</b>			
Called up share capital	8	50,000	50,000
Profit and loss account	9	38,688	8,310
		<hr/>	<hr/>
<b>Shareholders' funds</b>	10	88,688	58,310
		<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 5 of the Companies Act 2006

For the period ending 31 December 2010 the company was entitled to exemption from audit under section 477 of the Companies act 2006 relating to small companies and no notice has been deposited under section 476

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts

The accounts were approved by the Board of Directors on 17/03/2011 and were signed on its behalf by

  
Y. Chen  
Director

# LOTA EUROPE LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 December 2010

### 1 Accounting policies

A summary of the more important accounting policies adopted are described below

#### **Basis of accounting**

The accounts have been prepared under the historical cost convention, and on the going concern basis

#### **Leases**

Rental costs under operating leases are charged to the profit and loss account on a straight-line basis over the lease term

#### **Foreign currencies**

Transactions denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the profit and loss account

### 2 Turnover

Turnover is recognised at invoice value, excluding value added tax, when the related goods have been delivered to the customer

3	<b>Directors' emoluments</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	All directors		
	Aggregate emoluments	Nil	Nil



# **LOTA EUROPE LIMITED**

## **NOTES TO THE ACCOUNTS for the year ended 31 December 2010 (continued)**

### **4 Employee information**

The average number of persons, including directors employed by the company during the year was

	Number	Number
Admin	2	3
	<b>£</b>	<b>£</b>
Staff costs for the above persons were		
Wages and salaries	122,846	190,289
Social security costs	14,445	19,262
	<b>137,291</b>	<b>209,551</b>

### **5 Tax on profit on ordinary activities**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
(a) UK corporation tax at 28% (2009 21%)		
Current	9,380	3,518
	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
(b) Factors affecting tax charge for period		
Profit on ordinary activities before tax	39,758	18,686
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 28% (2009 21%)	11,132	3,924
Effects of		
Depreciation in excess of capital allowance	-	1,192
Utilisation of tax losses	-	(1,598)
Capital allowances in excess of depreciation	(245)	-
Marginal relief	(1,507)	
Current tax charge for period	<b>9,380</b>	<b>3,518</b>

# **LOTA EUROPE LIMITED**

## **NOTES TO THE ACCOUNTS for the year ended 31 December 2010 (continued)**

<b>6</b>	<b>Debtors</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Trade debtors	31,271	28,542
	VAT receivable	1,278	-
		<hr/>	<hr/>
		32,549	28,542
		<hr/>	<hr/>
<b>7</b>	<b>Creditors: amounts falling due within one year</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Corporation tax	9,380	3,518
	Other taxation and social security	-	13,358
	Accruals	3,250	3,250
		<hr/>	<hr/>
		12,630	20,126
		<hr/>	<hr/>
<b>8</b>	<b>Called up share capital</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	50,000 ordinary shares of £1 each	50,000	50,000
		<hr/>	<hr/>
	<b>Allotted, called up and fully paid</b>		
	50,000 ordinary shares of £1 each	50,000	50,000
		<hr/>	<hr/>
<b>9</b>	<b>Reserves</b>		<b>Profit and loss account</b>
			<b>£</b>
	At 1 January 2010		8,310
	Profit for the financial year		30,378
			<hr/>
	At 31 December 2010		38,688
			<hr/>

## LOTA EUROPE LIMITED

### NOTES TO THE ACCOUNTS for the year ended 31 December 2010 *(continued)*

10	<b>Reconciliation of movements in Shareholders' funds</b>	<b>2010 £</b>	<b>2009 £</b>
	Opening shareholder's funds	58,310	43,142
	Profit for the financial year	30,378	15,168
		<hr/>	<hr/>
	Closing shareholders' funds	88,688	58,310
		<hr/>	<hr/>

#### 11 **Ultimate parent company**

At 31 December 2010, the ultimate parent company was Lota Corp, a company registered in the British Virgin Islands