

**Registered Office:**  
**14-15 Grosvenor Crescent**  
**London**  
**SW1X 7EE**

**Registered number: 6618446**

**OCCO LONDON LIMITED**

**Report and financial statements**

**31 December 2011**

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# **OCCO LONDON LIMITED**

## **Report and financial statements 31 December 2011**

### **DIRECTORS' REPORT**

The directors present their report together with the audited financial statements of occo London Limited (the "Company") for the year ended 31 December 2011. The financial statements were approved and authorised for issue by the board on 26 September 2012.

#### **General information**

The Company was incorporated on 12 June 2008 and underwent a share reorganisation and recapitalisation on 16 September 2010, for which further information is given in note 12. The Company's name changed from Adria Spas Limited to occo London Limited on 22 June 2010.

#### **Principal activities**

The principal activity of the Company is to provide spa management services, including spa treatments and amenities and a range of related products for retail and wholesale.

#### **Results and dividends**

The loss after tax for the year was GBP203,000 (2010: GBP261,000). The financial statements for the year ended 31 December 2011 are set out on pages 6 to 12. The directors do not recommend the payment of a dividend.

#### **Financial risk**

The Company is not exposed to significant financial risk. The Company does not have any financial instruments other than cash and short term debtors and creditors.

#### **Employees**

All employment contracts terminated during 2011. Information regarding staff numbers and costs is set out in note 5.

#### **Payment of suppliers**

The Company applies standard payment terms which are considered reasonable and consistent with prevailing commercial practice.

#### **Directors and their interests**

The directors who held office for the year ending 31 December 2011 and to the date of this report were:

<b>Name</b>	<b>Date of appointment</b>
Anna Doyle	12 June 2008
Alex Penkul	12 June 2008
Simon Tuttle	16 September 2010

The following directors had an interest in the shares of the Company at 31 December 2011:

<b>Director</b>	<b>Number of ordinary shares</b>	<b>Number of preference shares</b>
Anna Doyle	1,510	-
Simon Tuttle	1,460	2,000

# **OCCO LONDON LIMITED**

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## **DIRECTORS' REPORT (continued)**

### **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU 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 estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

### **Disclosure of information to auditors**

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

### **Auditor re-appointment**

In accordance with section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

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



Alex Penkul

Director

26 September 2012

# **OCCO LONDON LIMITED**

## **Report and financial statements 31 December 2011**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OCCO LONDON LIMITED**

We have audited the financial statements of occo London Limited for the year ended 31 December 2011 set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 auditor's 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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **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 2011 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the EU, and
- the financial statements 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **OCCO LONDON LIMITED**

## **Report and financial statements 31 December 2011**

### **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 by the company, 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



**Shaun Kirby (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

15 Canada Square

London E14 5GL

**27** September 2012

# OCCO LONDON LIMITED

Report and financial statements 31 December 2011

		Year ended 31 December 2011	Year ended 31 December 2010
	Note	GBP'000	GBP'000
<b>Statement of comprehensive income</b>			
Revenue	2	251	193
Cost of sales		(262)	(95)
<b>Gross (loss) / profit</b>		<b>(11)</b>	<b>98</b>
Administration expenses		(192)	(358)
Finance costs		-	(1)
<b>Operating loss and loss before tax</b>		<b>(203)</b>	<b>(261)</b>
Tax expense	4	-	-
<b>Loss for the year</b>		<b>(203)</b>	<b>(261)</b>

The loss for the year relates to continuing activities

		At 31 December 2011	At 31 December 2010
	Note	GBP'000	GBP'000
<b>Statement of financial position</b>			
<b>Assets</b>			
Intangible assets	7	-	37
<b>Total non-current assets</b>		<b>-</b>	<b>37</b>
Stock		7	-
Trade and other receivables	8	6	31
Cash and cash equivalents	9	25	215
<b>Total current assets</b>		<b>38</b>	<b>246</b>
<b>Total assets</b>		<b>38</b>	<b>283</b>
<b>Liabilities</b>			
Trade and other payables	10	(34)	(76)
<b>Total current liabilities</b>		<b>(34)</b>	<b>(76)</b>
<b>Net assets</b>		<b>4</b>	<b>207</b>
<b>Equity</b>			
Ordinary shares	12	-	-
Preference shares	12	415	415
Deferred shares	12	777	777
Accumulated losses		(1,188)	(985)
<b>Total equity</b>		<b>4</b>	<b>207</b>

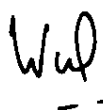
The notes on pages 8 to 12 form part of the financial statements

Signed on behalf of the board of directors

Alex Penkul

Director

26 September 2012



# OCCO LONDON LIMITED

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## Statement of changes in shareholders' equity

	Note	Share capital GBP'000	Accumulated losses GBP'000	Total GBP'000
At 1 January 2009		-	(724)	(724)
Issue of ordinary shares	12	-	-	-
Issue of preference shares	12	415	-	415
Issue of deferred shares	12	777	-	777
Losses for the year		-	(261)	(261)
<b>At 31 December 2010</b>		<b>1,192</b>	<b>(985)</b>	<b>207</b>
Losses for the year		-	(203)	(203)
<b>At 31 December 2011</b>		<b>1,192</b>	<b>(1,188)</b>	<b>4</b>

## Statement of cash flow

	Note	Year ended 31 December 2011 GBP'000	Year ended 31 December 2010 GBP'000
<b>Loss for the year</b>		(203)	(261)
Trade and other receivables		25	(31)
Trade and other payables		(12)	26
<b>Net cash flow used by operating activities</b>		<b>(190)</b>	<b>(266)</b>
<b>Cash flow from financing activities</b>			
Received from parent		-	90
Paid to parent		-	(70)
Proceeds from issue of preference shares	12	-	415
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>435</b>
<b>Cash flow from investing activities</b>			
Purchase of intangible assets		-	(37)
<b>Cash flow from investing activities</b>		<b>-</b>	<b>(37)</b>
Net (decrease) / increase in cash and cash equivalents		(190)	132
Opening cash and cash equivalents		215	83
<b>Closing cash and cash equivalents</b>	9	<b>25</b>	<b>215</b>

The notes on pages 8 to 12 form part of the financial statements

# **OCCO LONDON LIMITED**

## **Report and financial statements 31 December 2011**

### **Notes to financial statements**

#### **1. General information**

occo London Limited, previously Adria Spas Limited (the "Company") was incorporated as a limited liability company in the United Kingdom on 12 June 2008

The financial statements were approved and authorised for issue by the board on 26 September 2012

#### **2. Accounting policies**

##### **Statement of compliance**

The financial statements of the Company have been prepared in accordance with IFRS, as adopted by the EU

##### **Basis of preparation**

The financial statements have been presented in Pounds Sterling ("GBP") and all values are rounded to the nearest thousand unless otherwise indicated. The financial statements have been prepared under the historical cost convention. The accounting policies are set out below and have been consistently applied.

The financial statements have been prepared on the going concern basis.

##### **Use of estimates and judgements**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### **Fixtures, fittings and equipment**

Fixtures, fittings and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Depreciation is recognised in the income statement on a straight line basis over the estimated useful lives of the assets, which for furniture, fittings and equipment is five years. No depreciation is charged on assets in the year of acquisition.

##### **Intangible assets**

Intangible assets are measured at cost. Amortisation is recognised in the income statement on a straight line basis over the estimated useful lives of the assets. No amortisation is charged in the year that the asset is recognised. Intangible assets are subject to an annual impairment review with any impairment amounts expensed in the income statement.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances.

##### **Amounts due from parent company**

Amounts due from the parent company are measured at amortised cost using the effective interest method, less impairment losses.

# OCCO LONDON LIMITED

## Report and financial statements 31 December 2011

### 2. Accounting policies (continued)

#### Trade and other receivables

Trade and other receivables are measured at amortised cost using the effective interest method, less impairment losses

#### Trade and other payables

Trade and other payables are measured at amortised cost using the effective interest method

#### Revenue recognition

Revenue arises from wholesale and retail sale of cosmetics and spa related products and charges for Spa management services, including product and treatment development Revenue is recognised in the accounting period in which sales are invoiced or in which services are rendered

Cost of goods sold includes the product cost of retail and wholesale cosmetics and related delivery costs Administration and other operating expenses include wages and salaries, social security costs, travel and professional fees, and are recognised in the accounting period in which the expense is incurred

### 3. Auditors remuneration

Amounts payable to KPMG LLP and their associates by the Company in respect of audit services amounted to GBP2,000 (2010 GBP2,000) No amounts were payable for non-audit services

### 4. Taxation

	Year ended 31 December 2011 GBP '000	Year ended 31 December 2010 GBP '000
Income tax expense		
Loss for the year	203	261
Total income tax expense	-	-
<b>Loss excluding income tax</b>	<b>203</b>	<b>261</b>
Income tax using the Company's domestic tax rate 28% (2010 28%)	-	-

The Company incurred net losses in the year to 31 December 2011 and there is no charge to corporation tax (2010 GBPnil) At 31 December 2011 tax losses available for carry forward, for which no deferred tax asset has been recognised, amount to GBP 1,188,000 (2010 GBP 985,000)

### 5. Staff numbers and related costs

The Company employed an average of 3 staff during the year (2010 5) The Company does not offer a pension scheme Staff costs incurred for the year, which have been charged to the income statement, comprise

	Year ended 31 December 2011 GBP '000	Year ended 31 December 2010 GBP '000
Wages and salaries	88	166
Social security	10	17
	<b>98</b>	<b>183</b>

# OCCO LONDON LIMITED

## Report and financial statements 31 December 2011

### 6. Directors' remuneration

	Year ended 31 December 2011 GBP '000	Period ended 31 December 2010 GBP '000
Executive director	25	15
	<u>25</u>	<u>15</u>

The highest paid director received GBP25,000 (2010 GBP15,000)

### 7. Intangible assets

	Intangible assets GBP '000	Total GBP '000
<b>At 31 December 2011</b>		
Cost		
At 1 January 2011	37	37
Additions at cost	-	-
At 31 December 2011	<u>37</u>	<u>37</u>
Accumulated amortisation		
At 1 January 2011	-	-
Impairment charge	37	37
At 31 December 2011	<u>37</u>	<u>37</u>
Net book value at 31 December 2011	<u>-</u>	<u>-</u>
Net book value at 31 December 2010	<u>37</u>	<u>37</u>

Intangible assets comprise software licences and product development costs

### 8. Trade and other receivables

	31 December 2011 GBP'000	31 December 2010 GBP'000
Trade receivables	6	26
Other receivables	-	3
VAT	-	2
	<u>6</u>	<u>31</u>

The carrying value of trade and other receivables are not materially different from their fair values

### 9. Cash and cash equivalents

Cash and cash equivalents held by the Company comprise cash held at bank and in hand. The carrying values of cash and cash equivalents are not materially different from their fair values.

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## 10. Trade and other payables

	31 December 2011 GBP'000	31 December 2010 GBP'000
Trade payables	33	25
Social security and other taxes	-	11
Other creditors and accruals	1	40
	<u>34</u>	<u>76</u>

The carrying value of trade and other payables are not materially different from their fair values

## 11. Due to parent company

During 2010, an amount of GBP777,000 due to the then parent company was converted into deferred shares (note 12). Further information regarding the then parent company is given in note 15

## 12. Called up share capital

	Ordinary shares <sup>1</sup> GBP	Preference shares <sup>2</sup> GBP	Deferred shares GBP
<b>Equity share capital</b>			
1,000 fully paid ordinary shares of GBP1 each at 31 December 2009	10	-	-
Shares issued during the year	46	415,000	776,841
<b>Equity share capital at 31 December 2010 and 2011</b>	<b>56</b>	<b>415,000</b>	<b>776,841</b>

<b>Movements in the issued share capital of the company during the year ended 31 December 2010</b>	<b>No. of shares</b>	<b>No. of shares</b>	<b>No. of shares</b>
Shares in issue at 1 January 2010	1,000	-	-
Shares issued during the year	5,831	4,150	77,684,100
<b>Shares in issue at 31 December 2010 and 2011</b>	<b>6,831</b>	<b>4,150</b>	<b>77,684,100</b>

<sup>1</sup> During 2010, 1,000 fully paid ordinary share of GBP 1 each were converted into 100,000 fully paid ordinary shares of GBP 0.01 each

<sup>2</sup> GBP 100 each

## 13. Capital Management

The Company's capital includes share capital and accumulated losses. The Company's policy is to maintain its ability to continue as a going concern, so it can provide benefits for stakeholders.

# **OCCO LONDON LIMITED**

## **Report and financial statements 31 December 2011**

### **14. Financial risk**

#### **(a) Interest rate risk**

The Company's only significant interest bearing asset is cash, which may be placed on short term deposit and the returns generated by these deposits fluctuate depending on the prevailing market rate of interest

#### **(b) Credit risk**

The Company has bank accounts with two major banks. Insolvency of these institutions may cause the Company's right with respect to cash held to be delayed or limited

#### **(c) Currency risk**

The Company is not subject to currency risk,

#### **(d) Liquidity risk**

The Company's trade receivables and payables typically fall due for payment within 30 days. The Company actively manages its working capital position, in particular the collection of trade receivables, to ensure liquidity risk is minimised.

### **15. Parent company**

As noted in the Directors' Report on page 2, the Company underwent a share reorganisation and recapitalisation on 16 September 2010, following which iO Adria Limited (formerly Jupiter Adria Limited) ceased to be the Company's parent company