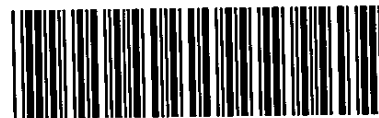


MESSILA RESIDENTIAL LIMITED

Report and Accounts

31 March 2013

Registered number: 01835708



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20/12/2013

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COMPANIES HOUSE

Rawi & Co LLP
Chartered Accountants and Registered Auditors
128 Ebury Street
LONDON
SW1W 9QQ

MESSILA RESIDENTIAL LIMITED
Report and accounts
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MESSILA RESIDENTIAL LIMITED
Company Information

Director

A M Al-Hasawi (Chairman)

Secretary

Mr D S Zora

Auditors

Rawi & Co LLP
128 Ebury Street
LONDON
SW1W 9QQ

Registered office

51 South Audley street
London
W1K 2AA

Registered number

01835708

MESSILA RESIDENTIAL LIMITED

Registered number: 01835708

Director's Report

The director presents his report and accounts for the year ended 31 March 2013

Principal activities

The company's principal activity during the year continued to be that of estate agency

Directors

A. Al-Hasawi (Chairman)

O. Al-Hasawi

Date of resignation

20/12/2012

Risks and uncertainties

In common with other small property management companies, our business is subject to the risks of

uncertainty in current property and rental market conditions
and competition from other companies within the industry

Review of the business

The loss on ordinary activities for the year before taxation was £1,008,542 (2012 Loss £526,703)

Full details of the results for the year are set out on page 5

The company has closed two of its loss making branches on 1 April 2013. Hence the director expects the company will make profits in the forthcoming year

Director's responsibilities

The director is responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the director to prepare accounts for each financial year. Under that law the director has elected to prepare the accounts 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 accounts 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 accounts, 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 accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is 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 him to ensure that the accounts comply with the Companies Act 2006. 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.

MESSILA RESIDENTIAL LIMITED

Registered number: 01835708

Director's Report

Disclosure of information to auditors

The director confirms that

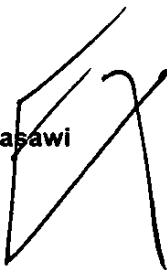
- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime

This report was approved by the board on 5 December 2013 and signed by its order

A.M. Al-Hasawi
Director

A handwritten signature in black ink, consisting of a stylized 'A' followed by a vertical line and a horizontal stroke at the top.

MESSILA RESIDENTIAL LIMITED
Independent auditors' report
to the members of MESSILA RESIDENTIAL LIMITED

We have audited the accounts of MESSILA RESIDENTIAL LIMITED for the year ended 31 March 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard For Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

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 Statement of Director's Responsibilities, the director is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts

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

Fundamental uncertainty: going concern

In forming our opinion, we have considered the adequacy of disclosures made in the accounts concerning the current and future finances available to the company. The accounts have been prepared on a going concern basis, the validity of which depends on the continued support of its parent and fellow subsidiary undertakings and that adequate cash facilities will continue to be made available. The accounts do not include any adjustments that would result from a failure to receive continued financial support. Details of the circumstances relating to this fundamental uncertainty are described in note 1 b and note 18 to the accounts. Our opinion is not qualified in this respect.

Opinion on the accounts

In our opinion the accounts

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

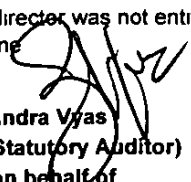
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the accounts are prepared is consistent with the accounts.

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 accounts 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, or
- the director was not entitled to prepare the accounts and the director's report in accordance with the small companies regime.


Bipinchandra Vyas
(Senior Statutory Auditor)
for and on behalf of
Rawi & Co LLP
Accountants and Statutory Auditors
5 December 2013

128 Ebury Street
LONDON
SW1W 9QQ

MESSILA RESIDENTIAL LIMITED
Profit and Loss Account
for the year ended 31 March 2013

	Notes	2013 £	2012 £
Turnover	2	629,672	730,620
Administrative expenses		(1,638,230)	(1,257,356)
Operating loss	3	<u>(1,008,558)</u>	<u>(526,736)</u>
Interest receivable		16	33
Loss on ordinary activities before taxation		<u>(1,008,542)</u>	<u>(526,703)</u>
Tax on loss on ordinary activities	4	1,739	(3,761)
Loss for the financial year		<u>(1,006,803)</u>	<u>(530,464)</u>

MESSILA RESIDENTIAL LIMITED
Balance Sheet
as at 31 March 2013

	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	5	<u>1,102,110</u>	<u>1,247,706</u>
		1,102,110	1,247,706
Current assets			
Debtors	6	273,370	351,346
Cash at bank and in hand		<u>319,991</u>	<u>214,355</u>
		593,361	565,701
Creditors: amounts falling due within one year	7	(1,051,888)	(870,199)
Net current liabilities		<u>(458,527)</u>	<u>(304,498)</u>
Total assets less current liabilities		<u>643,583</u>	<u>943,208</u>
Creditors: amounts falling due after more than one year	8	(3,307,373)	(2,598,456)
Provisions for liabilities	9	(12,847)	(14,586)
Net liabilities		<u>(2,676,637)</u>	<u>(1,669,834)</u>
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account	11	(2,676,737)	(1,669,934)
Shareholders' funds		<u>(2,676,637)</u>	<u>(1,669,834)</u>

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime


A.M. Al-Hasawi
Director

Approved by the board on 5 December 2013

MESSILA RESIDENTIAL LIMITED
Notes to the Accounts
for the year ended 31 March 2013

1 Accounting policies

(a) Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

(b) Going concern

The company meets its day to day working capital requirements through internal funding from its parent undertaking and fellow group undertakings thereof

The director has indicated that it is reasonable to rely on the continuation, into the foreseeable future, of financial support of its parent and fellow group undertakings. On the basis of this information and the conduct of its financial affairs subsequent to the balance sheet date, the director considers it is appropriate to prepare the financial statements on the going concern basis

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives

Plant and machinery	20% straight line
Motor vehicles	25% straight line
Leasehold property refurbishments	Over the period of the lease

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding

Rentals paid under operating leases are charged to income on a straight line basis over the lease term

2 Turnover

Turnover comprises of commission receivable and ancillary services of an estate agent, net of Value Added Tax

MESSILA RESIDENTIAL LIMITED
Notes to the Accounts
for the year ended 31 March 2013

3 Operating profit	2013	2012
	£	£
This is stated after charging		
Depreciation of owned fixed assets	242,244	213,604
operating lease rentals - plant and machinery	1,701	1,701
operating lease rentals - land and buildings	64,300	64,300
Auditors' remuneration	<u>9,000</u>	<u>9,000</u>

Staff Costs	2013	2012
	£	£
Staff costs were as follows		
Wages and salaries	520,679	354,690
Social security costs	<u>55,859</u>	<u>39,859</u>
	<u>576,538</u>	<u>394,549</u>

The directors did not receive any remuneration during the two years

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

	2013	2012
Office and administration	16	20

4 Taxation	2013	2012
	£	£
Deferred tax	<u>(1,739)</u>	<u>3,761</u>
	<u>(1,739)</u>	<u>3,761</u>

MESSILA RESIDENTIAL LIMITED
Notes to the Accounts
for the year ended 31 March 2013

5 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Motor vehicles £	Total £
Cost				
At 1 April 2012	1,179,866	292,998	34,712	1,507,576
Additions	<u>75,823</u>	<u>20,825</u>	<u>-</u>	<u>96,648</u>
At 31 March 2013	<u>1,255,689</u>	<u>313,823</u>	<u>34,712</u>	<u>1,604,224</u>
Depreciation				
At 1 April 2012	163,139	88,053	8,678	259,870
Charge for the year	<u>170,801</u>	<u>62,765</u>	<u>8,678</u>	<u>242,244</u>
At 31 March 2013	<u>333,940</u>	<u>150,818</u>	<u>17,356</u>	<u>502,114</u>
Net book value				
At 31 March 2013	<u>921,749</u>	<u>163,005</u>	<u>17,356</u>	<u>1,102,110</u>
At 31 March 2012	<u>1,016,727</u>	<u>204,945</u>	<u>26,034</u>	<u>1,247,706</u>

6 Debtors

	2013 £	2012 £
Trade debtors	40,883	82,927
Other debtors	193,212	268,419
Prepayments	<u>39,275</u>	<u>-</u>
	<u>273,370</u>	<u>351,346</u>

7 Creditors, amounts falling due within one year

	2013 £	2012 £
Trade creditors	91,515	211,457
Other taxes and social security costs	22,706	18,874
Other creditors	<u>937,667</u>	<u>639,868</u>
	<u>1,051,888</u>	<u>870,199</u>

MESSILA RESIDENTIAL LIMITED
Notes to the Accounts
for the year ended 31 March 2013

8 Creditors: amounts falling due after one year	2013 £	2012 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>3,307,373</u>	<u>2,598,456</u>
	<u>3,307,373</u>	<u>2,598,456</u>

9 Provisions for liabilities	2013 £	2012 £
Deferred taxation		
Accelerated capital allowances	12,847	14,586
	<u>12,847</u>	<u>14,586</u>

	2013 £	2012 £
At 1 April	14,586	10,825
Deferred tax charge in profit and loss account	(1,739)	3,761
At 31 March	<u>12,847</u>	<u>14,586</u>

10 Share capital	Nominal value	2013 Number	2013 £	2012 £
Allotted, called up and fully paid Ordinary shares	£1 each	100	<u>100</u>	<u>100</u>

11 Profit and loss account	2013 £
At 1 April 2012	(1,669,934)
Loss for the year	(1,006,803)
At 31 March 2013	<u>(2,676,737)</u>

MESSILA RESIDENTIAL LIMITED
Notes to the Accounts
for the year ended 31 March 2013

12 Related party transactions

Related parties

The company's immediate parent undertaking is Messila House Limited, a company incorporated in England. However the directors regard Alsabahia Incorporated, a company incorporated in Panama as the company's ultimate parent undertaking.

The intra group company transactions for the year ended March 31, 2013 are

- (i) Commission receivable £39,808 68
- (ii) Rent payable £76,300
- (iii) Management charges £180,214 57

13 Ultimate controlling party

The directors regard Alsabahia Incorporated, a company incorporated in Panama, as the company's ultimate parent undertaking.

14 Going Concern

During the current year the company incurred losses of £1,006,803. As at the balance sheet date, the company has net liabilities of £2,676,637 which includes £3,307,373 due to the ultimate parent company.

The company has received an undertaking from the ultimate parent company, Alsabahia Incorporated that the group companies would not seek repayment of the funds until such time as the company has funds available for the purpose and the parent company would financially support the company as and when required.

Accordingly, the financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued financial support by the ultimate parent company and procuring profitable operations.

MESSILA RESIDENTIAL LIMITED
Detailed profit and loss account
for the year ended 31 March 2013

	2013 £	2012 £
Sales	629,672	730,620
Administrative expenses	(1,638,230)	(1,257,356)
Operating loss	<u>(1,008,558)</u>	<u>(526,736)</u>
Interest receivable	16	33
Loss before tax	<u>(1,008,542)</u>	<u>(526,703)</u>

MESSILA RESIDENTIAL LIMITED
Detailed profit and loss account
for the year ended 31 March 2013

	2013	2012
	£	£
Sales		
Sales	<u>629,672</u>	<u>730,620</u>
Administrative expenses		
Employee costs		
Staff salaries and social security costs	576,538	394,549
Staff recruitment and training	8,358	17,970
Rent, rates and services	215,299	157,377
Light and heat	5,302	904
Cleaning	7,124	2,448
Telephone and fax	29,670	10,587
Printing , postage and stationery	19,803	22,762
Subscriptions and publications	1,624	973
Insurance	9,613	7,375
Equipment expensed	3,032	1,701
Motor and travelling	24,947	13,939
Repairs and maintenance	33,553	18,913
Health & Safety	6,008	1,814
Depreciation	242,244	213,604
Commission payable	40,608	53,928
Audit and Accounting	9,100	9,100
Bank interest	24	18
Bank charges	8,847	2,537
Office expenses	5,158	3,922
TV rentals and licence	376	146
Legal and professional	8,508	24,001
Management charge	181,231	122,822
Advertising	198,861	163,732
Entertaining	1,929	11,624
Late payment interest	473	610
	<u>1,638,230</u>	<u>1,257,356</u>