
ACCESS INDUSTRIES (UK) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2011

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ACCESS INDUSTRIES (UK) LIMITED

COMPANY INFORMATION

DIRECTORS	Daniel M Rosen Access Industries Management LLC
COMPANY SECRETARY	Thomas C Harding
COMPANY NUMBER	05035508
REGISTERED OFFICE	40 Queen Anne's Gate London SW1H 6AY
AUDITORS	Nexia Smith & Williamson London EC2R 6AY
ACCOUNTANTS	Smith & Williamson 25 Moorgate London EC2R 6AY
BANKERS	Coutts & Co London WC2R 0QS

ACCESS INDUSTRIES (UK) LIMITED

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The following pages do not form part of the statutory financial statements

ACCESS INDUSTRIES (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2011

The directors present their report and the financial statements for the year ended 28 February 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 the directors have elected to prepare the financial statements 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 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,
- 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 are 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.

PRINCIPAL ACTIVITIES

The principal activity of the Company continues to be the provision of advisory services to its parent company, Access Industries, Inc.

DIRECTORS

The directors who served during the year were

Daniel M Rosen
Access Industries Management LLC

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' 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.

AUDITORS

The auditors, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

ACCESS INDUSTRIES (UK) LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2011

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 15 September, 2011 and signed on its behalf



Thomas C Harding, for and on behalf of Access Industries Management LLC
Director

ACCESS INDUSTRIES (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ACCESS INDUSTRIES (UK) LIMITED

We have audited the financial statements of Access Industries (UK) Limited for the year ended 28 February 2011, which comprise the Profit and Loss Account, the Balance Sheet and related notes 1 to 15. 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 directors' responsibilities, 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 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 Auditing Practices Board's website at 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 28 February 2011 and of its profit 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 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.

ACCESS INDUSTRIES (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ACCESS INDUSTRIES (UK) LIMITED

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 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report

Nexia Smith & Williamson

Philip Qugley (Senior statutory auditor)
for and on behalf of
Nexia Smith & Williamson

London
EC2R 6AY
Date

21. 9. 2011

ACCESS INDUSTRIES (UK) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2011

	Note	2011 £	2010 £
TURNOVER	1	1,962,537	3,153,756
Administrative expenses		(1,867,312)	(2,994,359)
OPERATING PROFIT	2	95,225	159,397
Interest receivable and similar income		59	183
Interest payable and similar charges	5	(1,772)	(2,800)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		93,512	156,780
Tax on profit on ordinary activities	6	(16,169)	(72,439)
PROFIT FOR THE FINANCIAL YEAR	12	77,343	84,341

The notes on pages 7 to 11 form part of these financial statements

ACCESS INDUSTRIES (UK) LIMITED
REGISTERED NUMBER. 05035508

BALANCE SHEET
AS AT 28 FEBRUARY 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	7		53,488		41,287
CURRENT ASSETS					
Debtors	8	433,676		408,767	
Cash at bank and in hand		17,760		8,588	
		<u>451,436</u>		<u>417,355</u>	
CREDITORS amounts falling due within one year	9	<u>(61,413)</u>		<u>(87,253)</u>	
NET CURRENT ASSETS			<u>390,023</u>		<u>330,102</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>443,511</u>		<u>371,389</u>
CREDITORS amounts falling due after more than one year	10		<u>(2,707)</u>		<u>(7,928)</u>
NET ASSETS			<u><u>440,804</u></u>		<u><u>363,461</u></u>
CAPITAL AND RESERVES					
Called up share capital	11		1		1
Profit and loss account	12		440,803		363,460
SHAREHOLDERS' FUNDS	13		<u><u>440,804</u></u>		<u><u>363,461</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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

Thomas Harding

15 September, 2011

Thomas C Harding, for and on behalf of Access Industries Management LLC
 Director

The notes on pages 7 to 11 form part of these financial statements

ACCESS INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2011

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 April 2008)

1.2 Turnover

Turnover represents operational costs plus a 5% recharge to the parent company, Access Industries, Inc. This is receivable as the costs are incurred

1.3 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

Motor vehicles	-	straight line basis over 4 years
Fixtures & fittings	-	straight line basis over 4 years
Computer equipment	-	straight line basis over 3 years

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rental costs under operating leases are charged to the Profit and Loss account on a straight line basis over the lease term.

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.

ACCESS INDUSTRIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2011**

1 ACCOUNTING POLICIES (continued)

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

2 OPERATING PROFIT

The operating profit is stated after charging

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	19,482	84,899
- held under finance leases	5,915	5,915
Auditors' remuneration	5,000	5,000
Auditors' remuneration - non-audit	9,100	2,750
Pension costs	27,531	27,531
	<u>27,531</u>	<u>27,531</u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	1,103,176	2,030,002
Social security costs	130,036	212,716
Other pension costs	27,531	27,531
	<u>1,260,743</u>	<u>2,270,249</u>

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

	2011 No	2010 No
	<u>14</u>	<u>14</u>

ACCESS INDUSTRIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2011**

4. DIRECTORS' REMUNERATION

	2011 £	2010 £
Aggregate emoluments	-	1,094,291

5 INTEREST PAYABLE

	2011 £	2010 £
On bank loans and overdrafts	537	955
On finance leases and hire purchase contracts	1,235	1,845
	1,772	2,800

6. TAXATION

	2011 £	2010 £
UK corporation tax charge on profit for the year	16,169	72,439

7. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
Cost				
At 1 March 2010	16,000	327,617	94,806	438,423
Additions	-	4,227	33,371	37,598
At 28 February 2011	16,000	331,844	128,177	476,021
Depreciation				
At 1 March 2010	16,000	292,564	88,572	397,136
Charge for the year	-	8,384	17,013	25,397
At 28 February 2011	16,000	300,948	105,585	422,533
Net book value				
At 28 February 2011	-	30,896	22,592	53,488
At 28 February 2010	-	35,053	6,234	41,287

ACCESS INDUSTRIES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2011**

7 TANGIBLE FIXED ASSETS (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2011 £	2010 £
Furniture, fittings and equipment	<u>2,955</u>	<u>8,869</u>

8 DEBTORS

	2011 £	2010 £
Due after more than one year		
Other debtors	50,000	50,000
Due within one year		
Amounts owed by group undertakings	368,465	349,907
Other debtors	15,211	8,860
	<u>433,676</u>	<u>408,767</u>

9 CREDITORS

Amounts falling due within one year

	2011 £	2010 £
Net obligations under finance leases and hire purchase contracts	5,614	5,396
Corporation tax	-	38,479
VAT payable	-	568
Other creditors	55,799	42,810
	<u>61,413</u>	<u>87,253</u>

10 CREDITORS

Amounts falling due after more than one year

	2011 £	2010 £
Net obligations under finance leases and hire purchase contracts	<u>2,707</u>	<u>7,928</u>

ACCESS INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2011

11 SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

12. RESERVES

	Profit and loss account £
At 1 March 2010	363,460
Profit for the year	77,343
	<u>440,803</u>
At 28 February 2011	<u>440,803</u>

13 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Opening shareholders' funds	363,461	279,120
Profit for the year	77,343	84,341
	<u>440,804</u>	<u>363,461</u>

14. RELATED PARTY TRANSACTION

At 28 February 2011 £368,466 (2010 £349,907) was owed to Access Industries (UK) Limited, by Access Industries, Inc, the ultimate parent company. During the year £1,962,537 (2010 £3,153,756) was charged to Access Industries, Inc in respect of services provided to that company.

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

As at 28 February 2011, the ultimate parent company was Access Industries, Inc, a company incorporated in the State of New York. The ultimate controlling party is Leonard Blavatnik, who is the indirect beneficial owner of 100% of Access Industries, Inc.