

REGISTERED NUMBER · 04531406

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012
FOR
SAFFRON BRAND CONSULTANTS LTD**

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SAFFRON BRAND CONSULTANTS LTD (REGISTERED NUMBER 04531406)

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FOR THE YEAR ENDED 31 DECEMBER 2012**

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SAFFRON BRAND CONSULTANTS LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2012

DIRECTORS. W Olins CBE
J Benbunan
I Stephens

SECRETARY: J Benbunan

REGISTERED OFFICE: Ibex House
Baker Street
Weybridge
Surrey
KT13 8AH

REGISTERED NUMBER 04531406

ACCOUNTANTS. Midgley Snelling LLP
Chartered Accountants
Ibex House
Baker Street
Weybridge
Surrey
KT13 8AH

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012**

The directors present their report with the financial statements of the company for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of brand consultancy services

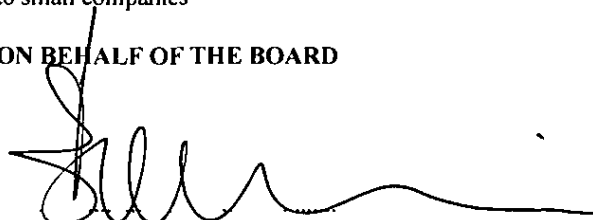
DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report

W Olins CBE
J Benbunan
I Stephens

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD



J Benbunan - Secretary

Date 30/5/2013

SAFFRON BRAND CONSULTANTS LTD (REGISTERED NUMBER 04531406)

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
TURNOVER	2	1,445,635	1,492,424
Administrative expenses		1,375,017	1,611,489
		70,618	(119,065)
Other operating income		104,560	87,283
OPERATING PROFIT/(LOSS)	3	175,178	(31,782)
Interest payable and similar charges	4	10,742	15,494
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		164,436	(47,276)
Tax on profit/(loss) on ordinary activities	5	-	725
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		164,436	(48,001)

The notes form part of these financial statements

SAFFRON BRAND CONSULTANTS LTD (REGISTERED NUMBER. 04531406)

**BALANCE SHEET
31 DECEMBER 2012**

	Notes	2012 £	2011 £
FIXED ASSETS			
Tangible assets	6	10,434	20,013
Investments	7	51,072	51,072
		<u>61,506</u>	<u>71,085</u>
CURRENT ASSETS			
Stocks		40,000	176,468
Debtors	8	450,828	365,489
Prepayments and accrued income		35,714	47,145
Cash at bank and in hand		103,806	102,674
		<u>630,348</u>	<u>691,776</u>
CREDITORS			
Amounts falling due within one year	9	1,962,746	2,198,189
NET CURRENT LIABILITIES		<u>(1,332,398)</u>	<u>(1,506,413)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,270,892)</u>	<u>(1,435,328)</u>
CAPITAL AND RESERVES			
Called up share capital	12	1,000	1,000
Profit and loss account	13	(1,271,892)	(1,436,328)
SHAREHOLDERS' FUNDS		<u>(1,270,892)</u>	<u>(1,435,328)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2012

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2012 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

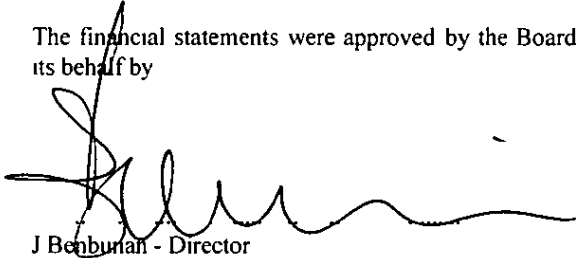
- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements so far as applicable to the company

The notes form part of these financial statements

BALANCE SHEET - continued
31 DECEMBER 2012

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

The financial statements were approved by the Board of Directors on 30/5/2013 and were signed on its behalf by



J Benburian - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1 ACCOUNTING POLICIES

Accounting convention

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)

Turnover

Turnover represents net invoiced sales of services, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Fixtures, fittings & office equipment	- 25% on cost
Computer equipment	- 33% on cost

Work in progress

Work in progress is valued at the lower of cost and net realisable value

Deferred tax

Provision is made for deferred tax using the liability method to take account of timing differences between certain items for taxation and accounting purposes. Tax deferred is accounted for in respect of material timing differences. Deferred tax assets are recognised to the extent that they are regarded as recoverable. The company has not adopted a policy of discounting deferred tax assets and liabilities.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange recorded for that month for each transaction. Exchange differences are taken into account in arriving at the operating result.

Going concern

The directors consider that with the continuing support of their bankers and parent company that the company is a going concern.

2 TURNOVER

The turnover and profit (2011 - loss) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below

	2012	2011
UK	38.51%	43.72%
Rest of the world	61.49%	56.28%
	<u>100.00%</u>	<u>100.00%</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

3 OPERATING PROFIT/(LOSS)

The operating profit (2011 - operating loss) is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation - owned assets	13,127	16,649
Profit on disposal of fixed assets	-	(30)
Foreign exchange differences	<u>(41,710)</u>	<u>(23,305)</u>
Directors' remuneration and other benefits etc	<u>193,368</u>	<u>187,301</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges includes the following

	2012	2011
	£	£
Bank interest	8,458	4,423
Group loan interest	-	7,644
Other interest	<u>2,284</u>	<u>3,427</u>
	<u>10,742</u>	<u>15,494</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2012	2011
	£	£
Current tax		
Under/(over) provision of corporation tax in respect of earlier years	-	725
Tax on profit/(loss) on ordinary activities	<u>-</u>	<u>725</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

6 TANGIBLE FIXED ASSETS

	Fixtures, fittings & office equipment £	Computer equipment £	Totals £
COST			
At 1 January 2012	48,460	57,255	105,715
Additions	-	3,548	3,548
At 31 December 2012	<u>48,460</u>	<u>60,803</u>	<u>109,263</u>
DEPRECIATION			
At 1 January 2012	35,193	50,509	85,702
Charge for year	6,338	6,789	13,127
At 31 December 2012	<u>41,531</u>	<u>57,298</u>	<u>98,829</u>
NET BOOK VALUE			
At 31 December 2012	<u>6,929</u>	<u>3,505</u>	<u>10,434</u>
At 31 December 2011	<u>13,267</u>	<u>6,746</u>	<u>20,013</u>

7 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2012 and 31 December 2012	<u>51,072</u>
NET BOOK VALUE	
At 31 December 2012	<u>51,072</u>
At 31 December 2011	<u>51,072</u>

The company holds 47% (2011 47%) of the share capital in Saffron Brand Consultants India Private Limited, a group subsidiary company incorporated in India

In 2010 the loan of £51,000 was capitalised Interest of £nil (2011 £728) has been charged

8 DEBTORS

	2012 £	2011 £
Amounts falling due within one year		
Trade debtors	236,290	149,305
Amounts owed by group undertakings	167,988	164,701
Other debtors	4,384	9,317
	<u>408,662</u>	<u>323,323</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

8 DEBTORS - continued

	2012	2011
	£	£
Amounts falling due after more than one year		
Other debtors	<u>42,166</u>	<u>42,166</u>
Aggregate amounts	<u>450,828</u>	<u>365,489</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Bank loans and overdrafts	28,855	87,359
Trade creditors	272,675	284,657
Amounts owed to group undertakings	1,378,633	1,670,590
Taxation and social security	24,773	20,016
Other creditors	257,810	135,567
	<u>1,962,746</u>	<u>2,198,189</u>

10 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	2012	2011
	£	£
Expiring		
Between one and five years	<u>113,846</u>	<u>113,846</u>

11 SECURED DEBTS

The bank overdraft with Banco Sabadell is secured by a deposit of £100,000

12 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			2012	2011
Number	Class	Nominal value	£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

13 RESERVES

	Profit and loss account £
At 1 January 2012	(1,436,328)
Profit for the year	164,436
	<u> </u>
At 31 December 2012	<u>(1,271,892)</u>

14 ULTIMATE PARENT COMPANY

Saffron Brand Consultants S A (incorporated in Spain) is regarded by the directors as being the company's ultimate parent company

Consolidated Financial Statements are available from, Saffron Brand Consultants S A , Zurbano 23, 28010 Madrid, Spain

15 CONTINGENT LIABILITIES

During 2008 HM Revenue and Customs commenced a payroll review. Following detailed correspondence sent to HM Revenue & Customs on behalf of the directors, to date no response has subsequently been received. The Directors are of the opinion that this will result in no additional tax liabilities for the company.

16 RELATED PARTY DISCLOSURES

W Olins CBE

A director of the company

During the year £160,000 (2011 £160,000) was invoiced by W Olins CBE for consultancy services rendered

An amount of £100,000 has been deposited by W Olins at Banco Sabadell as security on overdrafts. Interest of £2,284 (2011 £3,427) was due on the loan during the year. The loan has no fixed repayment date.

I Stephens

A director of the company

The loan is in respect of expenses of £1,591 (2011 £7,156) to be reimbursed and £7,500 (2011 £7,500) loaned to the company.

Saffron Brand Consultants S A

The parent company

The company paid management and project fees in the ordinary course of business of £11,845 (2011 £42,328) to Saffron Brand Consultants S A

The company paid interest to Saffron Brand Consultants S A of £nil (2011 £6,818)

Saffron Brand Consultants Inc.

A fellow subsidiary undertaking

The company paid interest to Saffron Brand Consultants Inc. of £nil (2011 £233)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

16 RELATED PARTY DISCLOSURES - continued

Saffron Brand Consultants Private Limited

A fellow subsidiary undertaking

During the year the company invoiced Saffron Brand Consultants Private Limited £115,663 (2011 £137,347)

The company received interest from Saffron Brand Consultants Private Ltd of £nil (2011 £728)

A branch of Saffron Brand Consultants S.A.

A branch within the group

During the year the company invoiced £191,070 (2011 £158,294) to a branch of Saffron Brand Consultants S A located in Austria

The company paid interest to Saffron Brand Consultants S A (Austria) of £nil (2011 £593)

	2012 £	2011 £
Amount due from/(to) related party at balance sheet date		
W Olins CBE		
A director of the company	(172,377)	(156,627)
W Olins CBE		
A director of the company	(100,000)	(100,000)
I Stephens		
A director of the company	(9,091)	(14,656)
Saffron Brand Consultants S A		
The parent company	(1,056,145)	(1,293,404)
Saffron Brand Consultants Inc		
A fellow subsidiary undertaking	1,139	(38,584)
Saffron Brand Consultants Private Limited		
A fellow subsidiary undertaking	166,849	164,701
A branch of Saffron Brand Consultants S A		
A branch within the group	<u>(322,488)</u>	<u>(338,602)</u>