

# **Platinum Capital Management Limited**

## **Report And Financial Statements**

*30 June 2009*

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Rees Pollock  
Chartered Accountants

COMPANY INFORMATION

<b>Directors</b>	B Sanghvi P A Sprecher C R Streit C M Booker T Scacchi
<b>Company secretary</b>	C M Booker
<b>Registered office</b>	Independent House 18-20 Thorpe Road Norwich Norfolk NR1 1RY
<b>Auditors</b>	Rees Pollock 35 New Bridge Street London EC4V 6BW
<b>Bankers</b>	The Royal Bank of Scotland 62/63 Threadneedle Street London EC2R 8LA
<b>Solicitors</b>	Barlow Lyde & Gilbert LLP Beaufort House 15 St. Botolph Street London EC3A 7NJ
<b>Company number</b>	03829996

**DIRECTORS' REPORT**  
For the year ended 30 June 2009

The directors present their report and the financial statements for the year ended 30 June 2009.

**Principal activities**

The principal activity of the company during the year was the provision of marketing and administration services.

**Business review**

The Company is dependant on the environment in which it operates. During the year, global economic growth slowed as a number of countries entered a recession. Costs have been reduced to reflect the broad based economic downturn. Results for the year are in line with Director's expectations.

**Results**

The profit for the year, after taxation, amounted to £29,292 (2008 - loss £212,468).

**Directors**

The directors who served during the year were:

B Sanghvi  
P A Sprecher  
C R Streit  
C M Booker  
T Scacchi

**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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**BALANCE SHEET**  
As at 30 June 2009

	Note	£	2009 £	£	2008 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	9		3,866		12,200
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due after more than one year	10	-		132,461	
Debtors: amounts falling due within one year	10	245,040		205,389	
Cash in hand		202,801		331,604	
		<u>447,841</u>		<u>669,454</u>	
<b>CREDITORS: amounts falling due within one year</b>	11	<u>(303,005)</u>		<u>(541,220)</u>	
<b>NET CURRENT ASSETS</b>			144,836		128,234
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			148,702		140,434
<b>CREDITORS: amounts falling due after more than one year</b>	12		<u>(34,000)</u>		<u>(55,020)</u>
<b>NET ASSETS</b>			<u>114,702</u>		<u>85,414</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		15,030		30,000
Capital redemption reserve	17		14,970		-
Profit and loss account	17		84,702		55,414
<b>SHAREHOLDERS' FUNDS</b>	18		<u>114,702</u>		<u>85,414</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 October 2009.

  
P Sprecher  
Director

The notes on pages 7 to 15 form part of these financial statements.



# REES POLLOCK

Chartered Accountants

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## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PLATINUM CAPITAL MANAGEMENT LIMITED

We have audited the financial statements of Platinum Capital Management Limited for the year ended 30 June 2009, set out on pages 4 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

### 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 30 June 2009 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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.

### 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.

S P Rees (Senior statutory auditor)  
for and on behalf of  
Rees Pollock, Statutory Auditor

21 October 2009

**PROFIT AND LOSS ACCOUNT**  
For the year ended 30 June 2009

	<b>Note</b>	<b>2009 £</b>	<b>2008 £</b>
<b>TURNOVER</b>	1,2	766,291	1,045,846
Administrative expenses		(754,974)	(1,015,246)
Other operating income	3	11,120	47,062
Administrative expenses - exceptional charge to preserve the trade		-	(300,000)
<b>OPERATING PROFIT/(LOSS)</b>	4	22,437	(222,338)
Interest receivable		7,155	15,473
Interest payable	7	(4,049)	(5,603)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		25,543	(212,468)
Tax on profit on ordinary activities	8	3,749	-
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	17	29,292	(212,468)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2009 or 2008 other than those included in the Profit and loss account.

The notes on pages 7 to 15 form part of these financial statements.

**BALANCE SHEET**  
As at 30 June 2009

	Note	£	2009 £	£	2008 £
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Tangible fixed assets	9		3,866		12,200
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due after more than one year	10	-		132,461	
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<b>NET CURRENT ASSETS</b>			144,836		128,234
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<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		15,030		30,000
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The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 October 2009.



P Sprecher  
Director

The notes on pages 7 to 15 form part of these financial statements.

**CASH FLOW STATEMENT**  
For the year ended 30 June 2009

	<b>Note</b>	<b>2009 £</b>	<b>2008 £</b>
Net cash flow from operating activities	19	(179,250)	(95,214)
Returns on investments and servicing of finance	20	7,055	15,303
Taxation		9,867	-
Capital expenditure and financial investment	20	(475)	(2,252)
<b>CASH OUTFLOW BEFORE FINANCING</b>		<b>(162,803)</b>	<b>(82,163)</b>
Financing	20	34,000	-
<b>DECREASE IN CASH IN THE YEAR</b>		<b>(128,803)</b>	<b>(82,163)</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT**  
For the year ended 30 June 2009

	<b>2009 £</b>	<b>2008 £</b>
Decrease in cash in the year	(128,803)	(82,163)
Cash inflow from increase in debt and lease financing	(34,000)	-
<b>CHANGE IN NET DEBT RESULTING FROM CASH FLOWS</b>	<b>(162,803)</b>	<b>(82,163)</b>
Other non-cash changes	(3,949)	(5,433)
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>(166,752)</b>	<b>(87,596)</b>
Net funds at 1 July 2008	276,584	364,180
<b>NET FUNDS AT 30 JUNE 2009</b>	<b>109,832</b>	<b>276,584</b>

The notes on pages 7 to 15 form part of these financial statements.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

### 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 applicable accounting standards.

#### 1.2 Turnover

Turnover comprises revenue recognised by the company in respect of services supplied, exclusive of Value Added Tax.

#### 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:

Leasehold Property	-	amortised over the period of the lease
Computer equipment	-	25% on cost

#### 1.4 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

#### 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.

#### 1.6 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### 2. TURNOVER

The turnover and operating profit for the year was derived from the company's principal continuing activity which was carried out wholly in the UK. All turnover arises from outside the UK.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

## 3. OTHER OPERATING INCOME

	2009 £	2008 £
Other operating income	11,120	47,062

## 4. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

	2009 £	2008 £
Depreciation of tangible fixed assets:		
- owned by the company	8,809	10,085
Auditors' remuneration	9,800	9,000
Auditors' remuneration - non-audit	10,440	9,840
Operating lease rentals:		
- other operating leases	154,902	155,225
Difference on foreign exchange	630	-

## 5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2009 £	2008 £
Wages and salaries	295,156	311,553
Social security costs	33,719	33,400
	328,875	344,953

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

	2009 No.	2008 No.
	6	8

## 6. DIRECTORS' REMUNERATION

	2009 £	2008 £
Emoluments	106,620	111,832
Compensation for loss of office	-	30,000

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

## 7. INTEREST PAYABLE

	2009 £	2008 £
Bank interest payable	100	170
Finance charges on shares classed as financial liabilities	3,949	5,433
	<u>4,049</u>	<u>5,603</u>

## 8. TAXATION

	2009 £	2008 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit/loss for the year	1,034	-
Adjustments in respect of prior periods	30,172	-
<b>Total current tax</b>	<u>31,206</u>	<u>-</u>
<b>Deferred tax</b> (see note 13)		
Recognition of losses available to carry forward	(34,955)	-
<b>Tax on profit/loss on ordinary activities</b>	<u>(3,749)</u>	<u>-</u>

### Factors affecting tax charge for the year

The tax assessed for the year differs from that calculated using the standard rate of corporation tax in the UK (28%). The differences are explained below:

	2009 £	2008 £
Profit/loss on ordinary activities before tax	<u>25,543</u>	<u>(212,468)</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 28%)	7,152	(59,491)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	1,619	2,087
Capital allowances for year in excess of depreciation	1,796	1,609
Utilisation of tax losses	(9,189)	55,795
Adjustments to tax charge in respect of prior periods	30,172	-
Taxed at a lower rate	(344)	-
<b>Current tax charge for the year</b> (see note above)	<u>31,206</u>	<u>-</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

## 9. TANGIBLE FIXED ASSETS

	Land and buildings £	Furniture, fittings and equipment £	Total £
<b>Cost</b>			
At 1 July 2008	3,710	48,925	52,635
Additions	-	475	475
At 30 June 2009	3,710	49,400	53,110
<b>Depreciation</b>			
At 1 July 2008	2,352	38,083	40,435
Charge for the year	742	8,067	8,809
At 30 June 2009	3,094	46,150	49,244
<b>Net book value</b>			
At 30 June 2009	616	3,250	3,866
At 30 June 2008	1,358	10,842	12,200

## 10. DEBTORS

	2009 £	2008 £
<b>Due after more than one year</b>		
Other debtors	-	132,461
<b>Due within one year</b>		
Trade debtors	6,000	-
Corporation tax repayable	-	40,039
Other debtors	128,048	118,015
Prepayments and accrued income	76,037	47,335
Deferred tax asset (see note 13)	34,955	-
	245,040	205,389

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

## 11. CREDITORS: Amounts falling due within one year

	2009 £	2008 £
Trade creditors	45,160	193,416
Corporation tax	1,034	-
Social security and other taxes	6,662	10,159
Other creditors	177,795	23,677
Accruals and deferred income	13,385	313,968
Share capital treated as debt (Note 16)	58,969	-
	<u>303,005</u>	<u>541,220</u>

Disclosure of the terms and conditions attached to the non-equity shares are made in note 16.

The company has an obligation to redeem 30,000 Redeemable Preference "C" shares of £1 each at the request of its founder shareholder at a price of £2 per share. The "C" shares must be redeemed on or before 30th October 2009.

## 12. CREDITORS: Amounts falling due after more than one year

	2009 £	2008 £
Subordinated loan	34,000	-
Share capital treated as debt (Note 16)	-	55,020
	<u>34,000</u>	<u>55,020</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 16.

The £34,000 subordinated loan is repayable upon one month's written notice but cannot be repaid until at least 12 February 2011. Interest accrues annually on the loan at a rate of 1% over the LIBOR rate.

## 13. DEFERRED TAXATION

	2009 £	2008 £
At beginning of year	-	-
Asset recognised during the year	34,955	-
	<u>34,955</u>	<u>-</u>
At end of year		

The deferred taxation balance is made up as follows:

	2009 £	2008 £
Tax losses carried forward	<u>34,955</u>	<u>-</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

## 14. OPERATING LEASE COMMITMENTS

At 30 June 2009 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Within 1 year	100,000	-
Between 2 and 5 years	-	123,203

## 15. RELATED PARTY TRANSACTIONS

The following information relates to transactions and balances with other companies in which the directors have a material interest:

During the year income of £766,291 (2008: £1,045,846) was receivable from Platinum Trading Management Limited, a company in which P Sprecher has a material interest. At the year end an amount of £174,791 (2008: £23,677) was owed to Platinum Trading Management Limited.

Additionally, during the year Platinum Trading Management Limited granted Platinum Capital Management Limited a subordinated loan of £34,000, the terms of which are given in note 12.

During the year the company incurred consultancy fees of £9,000 (2008: £9,190) to Booker Consultants, a company in which C Booker has a material interest. At the year end, an amount of £863 (2008: £881) was due to Booker Consultants.

All of the above transactions have been undertaken on normal commercial terms.

Included in trade creditors at the year end was an amount of £74 (2008: £37) due to B Sanghvi, a director.

No interest has been received on balances due from related parties in the current or the previous year.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2009

**16. SHARE CAPITAL**

	<b>2009</b> £	<b>2008</b> £
<b>Shares classified as capital</b>		
<b>Authorised</b>		
100,000 Class A Ordinary shares of £1 each	100,000	100,000
100,000 Class B Ordinary shares of £1 each	100,000	100,000
	<u>200,000</u>	<u>200,000</u>
<b>Allotted, called up and fully paid</b>		
7,515 (2008 - 15,000) Class A Ordinary shares of £1 each	7,515	15,000
7,515 (2008 - 15,000) Class B Ordinary shares of £1 each	7,515	15,000
	<u>15,030</u>	<u>30,000</u>
<b>Shares classified as debt</b>		
<b>Authorised</b>		
200,000 Class C Redeemable Preference shares of £1 each	<u>200,000</u>	<u>200,000</u>
<b>Allotted, called up and fully paid</b>		
30,000 Class C Redeemable Preference shares of £1 each	<u>58,969</u>	<u>55,020</u>

The Ordinary "A" shares have voting rights but no rights to dividends.

The Ordinary "B" shares have rights to dividends but no voting rights.

The Redeemable Preference "C" shares have neither voting rights nor rights to dividends. The Redeemable Preference "C" shares have priority over both the Ordinary "A" and Ordinary "B" shares on a winding up of the company.

No dividend or other distribution may be paid on the Ordinary "B" shares without the consent of the holders of the Redeemable Preference "C" shares.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2009

**17. RESERVES**

	<b>Capital redempt'n reserve £</b>	<b>Profit and loss account £</b>
At 1 July 2008		55,414
Profit for the year		29,292
Purchase of own shares		(4)
Transfer on purchase of own shares	14,970	
	<u>14,970</u>	<u>84,702</u>
At 30 June 2009	<u>14,970</u>	<u>84,702</u>

**18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<b>2009 £</b>	<b>2008 £</b>
Opening shareholders' funds	85,414	297,882
Profit/(loss) for the year	29,292	(212,468)
Shares redeemed/cancelled during the year	(4)	-
	<u>114,702</u>	<u>85,414</u>
Closing shareholders' funds	<u>114,702</u>	<u>85,414</u>

**19. NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2009 £</b>	<b>2008 £</b>
Operating profit/(loss)	22,437	(222,338)
Depreciation of tangible fixed assets	8,809	10,085
Decrease/(increase) in debtors	87,726	(127,966)
(Decrease)/increase in creditors	(298,222)	245,005
	<u>(179,250)</u>	<u>(95,214)</u>
Net cash outflow from operations	<u>(179,250)</u>	<u>(95,214)</u>

**20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	<b>2009 £</b>	<b>2008 £</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	7,155	15,473
Interest paid	(100)	(170)
	<u>7,055</u>	<u>15,303</u>
Net cash inflow from returns on investments and servicing of finance	<u>7,055</u>	<u>15,303</u>



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

## 20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2009 £	2008 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(475)	(2,252)
	<u>2009</u> £	<u>2008</u> £
<b>Financing</b>		
New subordinated loan	34,000	-

## 21. ANALYSIS OF CHANGES IN NET DEBT

	1 July 2008 £	Cash flow £	Other non-cash changes £	30 June 2009 £
Cash at bank and in hand:	331,604	(128,803)	-	202,801
<b>Debt:</b>				
Debts due within one year	-	-	(58,969)	(58,969)
Debts falling due after more than one year	(55,020)	(34,000)	55,020	(34,000)
<b>Net funds</b>	<u>276,584</u>	<u>(162,803)</u>	<u>(3,949)</u>	<u>109,832</u>

## 22. ULTIMATE CONTROLLING PARTY

The company's ultimate controlling party during the current and previous year has been P Sprecher, by virtue of his controlling interest in the company's issued share capital.