

**Report of the Directors and  
Financial Statements  
for the Period  
1 April 2011 to 30 September 2012  
for  
EPIC Investment Partners Limited**

TUESDAY



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for the Period 1 April 2011 to 30 September 2012**

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**EPIC Investment Partners Limited**

**Company Information  
for the Period 1 April 2011 to 30 September 2012**

**DIRECTORS:**

Mr N B Parekh  
Mr S Dowds

**SECRETARY:**

Mr D Sadek

**REGISTERED OFFICE:**

The Old Treasury  
7A Kings Road  
Southsea  
Hampshire  
PO5 4DJ

**REGISTERED NUMBER:**

04196006 (England and Wales)

**AUDITORS:**

Rothmans LLP  
10 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

**Report of the Directors  
for the Period 1 April 2011 to 30 September 2012**

The directors present their report with the financial statements of the company for the period 1 April 2011 to 30 September 2012

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of a holding company

**FUTURE DEVELOPMENTS**

The Company was acquired by XCAP Securities PLC ("XCAP") on 14 December 2012. As part of the acquisition of the Company, the Chief Executive of the Company Mr Nitin Parekh, was appointed Chief Executive of the new group. XCAP is a full service investment bank listed on the AIM market of the London Stock Exchange. It offers a wide range of services to corporate, institutional and private clients.

In the corporate market, the firm has proven abilities in capital raising and liquidity improvement through the adoption of a broker-led approach, assisted by its specialist team of AIM-focussed market makers.

Private clients, whether in its wealth management or stockbroking divisions, benefit from XCAP's highly experienced and respected teams who adopt investment processes and utilise market leading systems for portfolio management, reporting and communication. XCAP's in-house settlement and back office enables enhanced client service delivery, further differentiating it from its competitors.

The Company hopes to benefit from synergies with XCAP together with the indirect benefits of access to a wider pool of talent in the enlarged, merged organisation.

**EVENTS SINCE THE END OF THE PERIOD**

Information relating to events since the end of the period is given in the notes to the financial statements.

**DIRECTORS**

The directors who have held office during the period from 1 April 2011 to the date of this report are as follows:

Mr N B Parekh - appointed 24 May 2011

Mr S Dowds - appointed 23 May 2011

Mr R Shankar - resigned 26 May 2011

Mr N Hale - resigned 26 May 2011

Mr P Dew - appointed 7 April 2011 - resigned 26 May 2011

**REGULATORY CAPITAL REQUIREMENTS**

The Company is authorised and regulated by the Financial Services Authority (FSA). The FSA imposes minimum capital requirements on the Company calculated in accordance with the rules set out in the FSA's Prudential Sourcebook for Banks, Building Societies and Investment Firms (BIPRU) and the General Prudential Sourcebook (GENPRU).

The Company's disclosure requirements under Pillar III will be available from the Company's website [www.humecapital.co.uk](http://www.humecapital.co.uk)

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union. 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 judgements and accounting 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

**EPIC Investment Partners Limited**

**Report of the Directors  
for the Period 1 April 2011 to 30 September 2012**

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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) 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 in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Rothmans LLP, will not seek re-appointment at the forthcoming Annual General Meeting. The current auditors of XCAP, Deloitte LLP, will take over the audit.

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:**



Mr N B Parekh - Director

Date

3/4/13.

## **Report of the Independent Auditors to the Members of EPIC Investment Partners Limited**

We have audited the financial statements of EPIC Investment Partners Limited for the period ended 30 September 2012 on pages five to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 a Report of the Auditors 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 set out on page two, 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**

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. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 September 2012 and of its loss for the period then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, 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 Report of the Directors 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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Report of the Directors.



Adam Bolger ACCA (Senior Statutory Auditor)  
for and on behalf of Rothmans LLP  
10 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

Date 8<sup>th</sup> April 2013

**EPIC Investment Partners Limited**

**Income Statement  
for the Period 1 April 2011 to 30 September 2012**

		Period 1 4 11 to 30 9 12 £	Year Ended 31 3 11 £
	Notes		
<b>CONTINUING OPERATIONS</b>			
Revenue	3	-	-
Administrative expenses		<u>(1,684,217)</u>	<u>(1,767,403)</u>
<b>OPERATING LOSS BEFORE EXCEPTIONAL ITEMS</b>		<u>(1,684,217)</u>	<u>(1,767,403)</u>
Exceptional items		<u>-</u>	<u>(49,950)</u>
<b>OPERATING LOSS</b>		<u>(1,684,217)</u>	<u>(1,817,353)</u>
Finance income	5	<u>-</u>	<u>3</u>
<b>LOSS BEFORE INCOME TAX</b>		<u>(1,684,217)</u>	<u>(1,817,350)</u>
Income tax	6	<u>-</u>	<u>90,917</u>
<b>LOSS FOR THE PERIOD</b>		<u><u>(1,684,217)</u></u>	<u><u>(1,726,433)</u></u>

The notes form part of these financial statements

**EPIC Investment Partners Limited**

**Statement of Comprehensive Income  
for the Period 1 April 2011 to 30 September 2012**

	Period 1 4 11 to 30 9 12 £	Year Ended 31 3 11 £
<b>LOSS FOR THE PERIOD</b>	(1,684,217)	(1,726,433)
<b>OTHER COMPREHENSIVE INCOME</b>	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>(1,684,217)</u>	<u>(1,726,433)</u>

The notes form part of these financial statements



**EPIC Investment Partners Limited**

**Statement of Financial Position  
30 September 2012**

	Notes	2012 £	2011 £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Investments	7	245,000	557,286
Loans and other financial assets	8	<u>-</u>	<u>328,000</u>
		<u>245,000</u>	<u>885,286</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	9	-	1,120,451
Cash and cash equivalents	10	<u>858</u>	<u>9,359</u>
		<u>858</u>	<u>1,129,810</u>
<b>TOTAL ASSETS</b>		<u>245,858</u>	<u>2,015,096</u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	11	255,721	10,721
Capital redemption reserve	12	850,000	850,000
Retained earnings	12	<u>(859,863)</u>	<u>824,354</u>
<b>TOTAL EQUITY</b>		<u>245,858</u>	<u>1,685,075</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	-	330,020
Financial liabilities - borrowings			
Bank overdrafts	14	<u>-</u>	<u>1</u>
		<u>-</u>	<u>330,021</u>
<b>TOTAL LIABILITIES</b>		<u>-</u>	<u>330,021</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>245,858</u>	<u>2,015,096</u>

The financial statements were approved by the Board of Directors on 3/4/13 and were signed on its behalf by



Mr N B Parekh - Director

The notes form part of these financial statements

**EPIC Investment Partners Limited**

**Statement of Changes in Equity  
for the Period 1 April 2011 to 30 September 2012**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Capital redemption reserve £</b>	<b>Total equity £</b>
<b>Balance at 1 April 2010</b>	10,721	2,550,787	850,000	3,411,508
<b>Changes in equity</b>				
Issue of share capital	-	-	-	-
Total comprehensive income	<u>-</u>	<u>(1,726,433)</u>	<u>-</u>	<u>(1,726,433)</u>
<b>Balance at 31 March 2011</b>	<u>10,721</u>	<u>824,354</u>	<u>850,000</u>	<u>1,685,075</u>
<b>Changes in equity</b>				
Issue of share capital	245,000	-	-	245,000
Total comprehensive income	<u>-</u>	<u>(1,684,217)</u>	<u>-</u>	<u>(1,684,217)</u>
<b>Balance at 30 September 2012</b>	<u>255,721</u>	<u>(859,863)</u>	<u>850,000</u>	<u>245,858</u>

The notes form part of these financial statements

**EPIC Investment Partners Limited**

**Statement of Cash Flows  
for the Period 1 April 2011 to 30 September 2012**

		Period 1 4 11 to 30 9 12 £	Year Ended 31 3 11 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(1,924,205)	(1,424,519)
Finance costs paid		-	4
Impairment of investments		1,342,705	1,343,142
Tax paid		-	90,917
Net cash from operating activities		<u>(581,500)</u>	<u>9,544</u>
<b>Cash flows from investing activities</b>			
Intercompany loan repayment		328,000	-
Interest received		-	3
Net cash from investing activities		<u>328,000</u>	<u>3</u>
<b>Cash flows from financing activities</b>			
Share issue		<u>245,000</u>	-
Net cash from financing activities		<u>245,000</u>	-
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(8,500)</b>	<b>9,547</b>
<b>Cash and cash equivalents at beginning of period</b>	2	<u>9,358</u>	<u>(189)</u>
<b>Cash and cash equivalents at end of period</b>	2	<u>858</u>	<u>9,358</u>

The notes form part of these financial statements

**EPIC Investment Partners Limited**

**Notes to the Statement of Cash Flows  
for the Period 1 April 2011 to 30 September 2012**

**1 RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	Period 1 4 11 to 30 9 12 £	Year Ended 31 3 11 £
Loss before income tax	(1,684,217)	(1,817,350)
Depreciation charges	-	143,250
Finance income	-	(3)
	(1,684,217)	(1,674,103)
Decrease/(increase) in trade and other receivables	90,032	(80,436)
(Decrease)/increase in trade and other payables	(330,020)	330,020
<b>Cash generated from operations</b>	<b>(1,924,205)</b>	<b>(1,424,519)</b>

**2 CASH AND CASH EQUIVALENTS**

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts

**Period ended 30 September 2012**

	30 9 12 £	1 4 11 £
Cash and cash equivalents	858	9,359
Bank overdrafts	-	(1)
	<u>858</u>	<u>9,358</u>

**Year ended 31 March 2011**

	31 3 11 £	1 4 10 £
Cash and cash equivalents	9,359	-
Bank overdrafts	(1)	(189)
	<u>9,358</u>	<u>(189)</u>

The notes form part of these financial statements

# EPIC Investment Partners Limited

## Notes to the Financial Statements for the Period 1 April 2011 to 30 September 2012

### 1 GENERAL INFORMATION

EPIC Investment Partners Limited is a wholly owned subsidiary of Hume Capital LLP, a company incorporated in England & Wales. The registered office is given on page 1.

### 2 ACCOUNTING POLICIES

#### Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

#### Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

#### Going concern assumption

The financial statements have been prepared on a going concern basis, which the directors believe to be appropriate, for the reason that the subsidiary company was acquired by XCAP Securities plc and that the new monies will allow the subsidiary company to expand its fund management operations.

### 3 SEGMENTAL REPORTING

In the opinion of the directors, the company operates within a single geographic and business segment being UK investment management activities.

### 4 EMPLOYEES AND DIRECTORS

There were no staff costs for the period ended 30 September 2012, nor the year ended 31 March 2011.

No directors received any remuneration. The remuneration of the directors employed by the Company's subsidiary, Hume Capital Management Limited, are shown in the report and accounts of that company.

### 5 NET FINANCE INCOME

	Period 1 4 11 to 30 9 12 £	Year Ended 31 3 11 £
Finance income		
Deposit account interest	<u>-</u>	<u>3</u>

### 6 INCOME TAX

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method.

**EPIC Investment Partners Limited**

**Notes to the Financial Statements - continued  
for the Period 1 April 2011 to 30 September 2012**

**7 INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 April 2011	
and 30 September 2012	<u>1,850,478</u>
<b>PROVISIONS</b>	
At 1 April 2011	1,293,192
Provision for period	<u>312,286</u>
At 30 September 2012	<u>1,605,478</u>
<b>NET BOOK VALUE</b>	
At 30 September 2012	<u>245,000</u>
At 31 March 2011	<u>557,286</u>

The company's investments at the statement of financial position date in the share capital of companies include the following

**Hume Capital Management Limited**

Nature of business Investment Management Company

Class of shares	% holding
Ordinary	100.00

**8 LOANS AND OTHER FINANCIAL ASSETS**

	Loans to group undertakings £
At 1 April 2011	328,000
Repayment in year	<u>(328,000)</u>
At 30 September 2012	<u>-</u>

**9 TRADE AND OTHER RECEIVABLES**

	2012 £	2011 £
Current		
Amounts owed by group undertakings	-	1,030,419
Other debtors	<u>-</u>	<u>90,032</u>
	<u>-</u>	<u>1,120,451</u>

**10 CASH AND CASH EQUIVALENTS**

	2012 £	2011 £
Bank accounts	<u>858</u>	<u>9,359</u>

**Notes to the Financial Statements - continued  
for the Period 1 April 2011 to 30 September 2012**

**11 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value £	2012 £	2011 £
25,500,000	"A" Ordinary	£0.01	255,000	10,000
72,100	"B" Ordinary	£0.01	<u>721</u>	<u>721</u>
			<u>255,721</u>	<u>10,721</u>

24,500,000 "A" Ordinary shares of £0.01 each were allotted and fully paid for cash at par during the period

**12 RESERVES**

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2011	824,354	850,000	1,674,354
Deficit for the period	<u>(1,684,217)</u>		<u>(1,684,217)</u>
At 30 September 2012	<u>(859,863)</u>	<u>850,000</u>	<u>(9,863)</u>

**13 TRADE AND OTHER PAYABLES**

	2012 £	2011 £
Current Accrued expenses	<u>-</u>	<u>330,020</u>

**14 FINANCIAL LIABILITIES - BORROWINGS**

	2012 £	2011 £
Current Bank overdrafts	<u>-</u>	<u>1</u>

**15 EVENTS AFTER THE REPORTING PERIOD**

The Company was acquired by XCAP Securities PLC ("XCAP") on 14 December 2012. As part of the acquisition of the Company, the Chief Executive of the Company, Mr Nitin Parekh, was appointed Chief Executive of the XCAP group.

XCAP is a full service investment bank listed on the AIM market of the London Stock Exchange. It offers a wide range of services to corporate, institutional and private clients.

**16 ULTIMATE CONTROLLING PARTY**

The directors regard Hume Capital LLP, a company incorporated in England & Wales, as the ultimate parent company and the ultimate controlling party.

**EPIC Investment Partners Limited**

**Income Statement Summaries  
for the Period 1 April 2011 to 30 September 2012**

	Period 1 4 11 to 30 9 12 £	Year Ended 31 3 11 £
<b>ADMINISTRATIVE EXPENSES</b>		
<b>Administrative expenses</b>		
Management fees	97,726	-
Redundancy costs	(330,020)	330,020
Sundry expenses	1,915,712	1,293,192
<b>Finance costs</b>		
Bank charges	799	941
<b>Depreciation</b>		
Goodwill	-	143,250
	<u>1,684,217</u>	<u>1,767,403</u>
 <b>EXCEPTIONAL ITEMS</b>		
Profit/loss on sale of operatn	-	49,950
	-	49,950
 <b>FINANCE INCOME</b>		
Deposit account interest	-	3
	-	3