

# **FAM Services Limited**

## **Group Report and Audited Financial Statements**

For the year ended 31 March 2012

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# FAM Services Limited

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Registered No 05000601

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## **Administrative information**

### **Director**

A D Stevens

### **Secretary**

J Davidson

### **Auditors**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

### **Bankers**

Coutts & Co  
188 Fleet Street  
London  
EC4A 2HY

### **Solicitors**

Schulte Roth & Zabel  
Heathcoat House  
20 Saville Row  
London  
W1S 3PR

### **Registered Office**

6 Chesterfield Gardens  
London  
W1J 5BQ

## Director's report

The director presents his report and the audited financial statements of the company and of the group for the year ended 31 March 2012. These financial statements consolidate the financial statements of FAM Services Limited ("the company") and Fulcrum Asset Management LLP (collectively "the group").

### Principal activity and review of the business

The principal activity of the company is that of a service company, providing such services to its subsidiary, Fulcrum Asset Management LLP ("the LLP"). The LLP is a limited liability partnership incorporated in England and Wales whose principal activity is the provision of investment management services. The LLP was authorised and regulated by the Financial Services Authority on 14 April 2004.

The past year has seen an extremely challenging market environment for the Alternative Investment Industry and in light of this the results and the financial position at the year end were considered satisfactory by the director.

The director does not see any change in the nature of the group activity going forward.

### Results and dividends

The group profit for the year, after taxation and minority interest was £24,286 (2011 £530,578). No dividend was paid during the year or in the previous year.

### Director

The director during the year under review and up to the date of this report was A D Stevens.

### Key performance indicators ("KPIs")

The company's activities relate directly to those of its subsidiary, Fulcrum Asset Management LLP. The key performance indicators are therefore linked to those of the LLP which relate to the growth of funds under management and the performance of the funds managed.

### Principal risks and uncertainties

The principal risk affecting the group is the performance of funds under management as these generate its revenue. The immediate risk to the group of under performing funds is a decline in revenues, and, longer-term, the risk of redemptions in the funds managed by the group.

Other key risks relate to the company's ability to attract and retain key investment management personnel.

### Going concern

The group currently has sufficient financial resources. It is envisaged that assets under management of Fulcrum Asset Management Limited will be maintained at such a level that the related management and performance fee income of the group will continue to exceed costs during the next twelve months.

The Members have assessed the going concern status of the group and concluded that there are no material uncertainties that may cast significant doubt about the group's ability to continue as a going concern. Therefore, continuing to adopt a going concern basis of accounting in the financial statements is deemed appropriate.

## Director's report

### Director's statement as to disclosure of information to auditors

The director has taken all steps that he ought to have taken as director to make himself aware of any relevant audit information and to establish that the auditors are aware of this information. So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware.

### Auditors

The auditors, Ernst & Young LLP, have indicated their willingness to continue in office. A resolution to reappoint Ernst & Young LLP as auditors will be put to the director at the meeting held to approve these financial statements.

On behalf of the board



A D Stevens

Director

Date 02/10/12

## **Statement of director's responsibilities**

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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, and
- prepare the financial statements 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditors' report**

**To the members of FAM Services Limited**

We have audited the financial statements of FAM Services Limited for the year ended 31 March 2012 which comprise the Group Profit and Loss Account, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement, the Group Statement of Total Recognised Gains and Losses, the Group and Parent Company Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 18. 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 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 auditor's 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 auditor**

As explained more fully in the Director's Responsibilities Statement set out on page 4, 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 group's and the parent 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 Group Report and Audited Financial Statements 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 group's and of the parent company's affairs as at 31 March 2012 and of the group's 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

## **Independent auditors' report**

**To the members of FAM Services Limited (continued)**


### **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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



*Jeremy Young (Senior statutory auditor)*

*for and on behalf of Ernst & Young LLP, Statutory Auditor  
London*

*2 October 2012*



## Group profit and loss account

for the year ended 31 March 2012

	<i>Notes</i>	<i>2012</i> £	<i>2011</i> £
Turnover	1,2	7,794,636	6,058,314
Administrative expenses		(6,360,100)	(4,538,105)
<b>Operating profit</b>	3	<u>1,434,536</u>	<u>1,520,209</u>
Other income	5	95,952	136,041
Interest receivable		8,841	3,240
Interest payable		-	-
<b>Profit on ordinary activities before taxation</b>		<u>1,539,329</u>	<u>1,659,490</u>
Tax on ordinary activities	6	(16,638)	(33,947)
<b>Profit on ordinary activities after taxation</b>		<u>1,522,691</u>	<u>1,625,543</u>
Minority interest	12	1,498,405	1,094,965
<b>Profit for the financial year</b>	14	<u><u>24,286</u></u>	<u><u>530,578</u></u>

All amounts are in respect of continuing activities

## Group statement of total recognised gains and losses

The group has no recognised gains or losses other than the profit for the current and previous year as shown above and therefore no separate statement of total recognised gains and losses has been presented

**Group balance sheet**

at 31 March 2012

	Notes	2012 £	2011 £
<b>Fixed assets</b>			
Tangible fixed assets	7	155,719	49,215
Investments	8	-	622
		<u>155,719</u>	<u>49,837</u>
<b>Current assets</b>			
Debtors amounts falling due within one year	9	1,427,511	1,557,406
Debtors amounts falling due after more than one year	9	327,357	327,357
Cash in hand and at bank		574,792	1,099,912
		<u>2,329,660</u>	<u>2,984,675</u>
<b>Creditors: amounts falling due within one year</b>	10	(558,448)	(595,417)
<b>Net current assets</b>		<u>1,771,212</u>	<u>2,389,258</u>
<b>Total assets less current liabilities</b>		<u>1,926,931</u>	<u>2,439,095</u>
<b>Creditors: amounts falling due after more than one year</b>	11	(247,181)	(247,181)
		<u>1,679,750</u>	<u>2,191,914</u>
Minority interest	12	(467,117)	(1,003,567)
<b>Net assets</b>		<u><u>1,212,633</u></u>	<u><u>1,188,347</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	437,500	437,500
Share premium	14	667,011	667,011
Profit and loss account	14	108,122	83,836
<b>Shareholder's funds</b>	14	<u><u>1,212,633</u></u>	<u><u>1,188,347</u></u>

The financial statements were approved by the board on 2<sup>nd</sup> Oct 2012 and authorised for issue on its behalf by



A D Stevens  
Director

**Company balance sheet**

at 31 March 2012

	Notes	2012 £	2011 £
<b>Fixed assets</b>			
Tangible assets	7	155,719	49,215
Investments	8	1,395,000	1,395,000
		<u>1,550,719</u>	<u>1,444,215</u>
<b>Current assets</b>			
Debtors amounts falling due within one year	9	637,302	306,440
Debtors amounts falling due after more than one year	9	327,357	327,357
Cash in hand and at bank		3,591	6,540
		<u>968,250</u>	<u>640,247</u>
<b>Creditors</b> , amounts falling due within one year	10	(439,021)	(525,825)
<b>Net current assets</b>		<u>529,229</u>	<u>114,422</u>
<b>Total assets less current liabilities</b>		<u>2,079,948</u>	<u>1,558,637</u>
<b>Creditors</b> amounts falling due after more than one year	11	(247,181)	(247,181)
<b>Net assets</b>		<u>1,832,767</u>	<u>1,311,456</u>
<b>Capital and reserves</b>			
Called up share capital	13	437,500	437,500
Share premium	14	667,011	667,011
Profit and loss account	14	728,256	206,945
<b>Shareholder's funds</b>	14	<u>1,832,767</u>	<u>1,311,456</u>

The financial statements were approved by the board on **2<sup>nd</sup> Oct 2012** and authorised for issue on its behalf by



A D Stevens  
Director

## Group cash flow statement

For the year ended 31 March 2012

	<i>Notes</i>	<i>2012</i> £	<i>2011</i> £
Net cash inflow from operating activities	15(a)	1,590,608	1,312,176
Returns on investments and servicing of finance	15(b)	104,793	139,281
Taxation		(43,471)	-
Capital expenditure and investing activities	15(b)	(142,195)	(29,022)
Net cash inflow before management of liquid resources and financing		1,509,735	1,422,435
Financing	15(b)	(2,034,855)	(861,398)
(Decrease) / increase in cash	15(c)	(525,120)	561,037

### Reconciliation of net cash flow to movement in net funds

	<i>Notes</i>	<i>2012</i> £	<i>2011</i> £
(Decrease) / increase in cash in the year		(525,120)	561,037
Change in net debt resulting from cash flows	15(c)	(525,120)	561,037
Net funds at 1 April		1,099,912	538,875
Net funds at 31 March		574,792	1,099,912

## Notes to the financial statements

For the year ended 31 March 2012

### 1. Accounting policies

#### Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with consistently applied applicable UK accounting standards. The principal accounting policies are set out below.

#### Basis of consolidation

The consolidated financial statements include the accounts of the company and its subsidiary undertaking (collectively the "group") drawn up to 31 March 2012. All material intercompany transactions and balances have been eliminated in the group financial statements.

No profit and loss account is presented for FAM Services Limited as permitted by section 408 of the Companies Act 2006. Of the group profit for the year, a profit of £521,311 (2011: Loss of £16,460) is dealt with in the accounts of the company.

#### Revenue recognition

Revenue is recognised to the extent that the group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales tax duty.

#### Other income

Other income is recognised on an accruals basis and to the extent the group obtains the right to consideration in exchange for its performance.

#### Operating leases

Rentals paid under operating leases are charged to the profit and loss account as incurred. The value of any rent free periods are amortised over the life of the lease.

#### Foreign currencies

Assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at 31 March 2012. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All currency differences are taken to the profit and loss account.

#### Taxation and deferred taxation

Provision is made for corporation tax at the current rates on the excess of taxable income over allowable expenses. Deferred taxation is provided on all timing differences that have originated but not reversed by the balance sheet date other than those differences regarded as permanent. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Any deferred tax assets and liabilities recognised are provided at the average rate of tax expected to apply when the asset and liability crystallise and are not discounted.

#### Tangible fixed assets

All fixed assets are recorded at cost.

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Computer equipment	-	3 years straight line
Office equipment	-	3 years straight line
Furniture and fittings	-	4 years straight line
Leasehold improvements	-	5 years straight line

## Notes to the financial statements

For the year ended 31 March 2012

### 1. Accounting policies (continued)

#### Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

#### Pensions

The company operates a defined contribution money purchase pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

### 2. Turnover

Turnover, which is stated net of any value added tax, represents management fees and performance fees arising from continuing activities in the United Kingdom.

### 3. Operating profit

	2012 £	2011 £
Profit on ordinary activities is stated after charging / (crediting)		
Depreciation of tangible fixed assets (note 7)	35,691	18,339
Auditors' remuneration		
- audit services (parent company £12,000, 2011 £12,000)	17,500	18,000
- taxation services	10,776	10,776
Operating lease rentals – buildings	330,600	330,600
Profit / (loss) on foreign exchange	77,883	(5,109)
	<u>          </u>	<u>          </u>

### 4. Staff costs

	2012 £	2011 £
Wages and salaries	3,245,231	2,262,656
Social security costs	431,292	279,178
Pension contributions	123,339	91,768
	<u>          </u>	<u>          </u>
	3,799,862	2,633,602
	<u>          </u>	<u>          </u>

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

	2012 No	2011 No
Investment management	27	21
Office and administration	4	4
	<u>          </u>	<u>          </u>
	31	25
	<u>          </u>	<u>          </u>

The director did not receive any remuneration during the current or previous year.

## Notes to the financial statements

For the year ended 31 March 2012

### 5. Other income

	2012 £	2011 £
Rental income	95,952	136,041
	<u>95,952</u>	<u>136,041</u>

### 6. Taxation

#### (a) Tax on profit on ordinary activities

	2012 £	2011 £
The tax charge is made up as follows		
UK corporation tax on profit for the year	16,710	25,768
Tax underprovided in previous years	-	-
Total current tax charge (note 6b)	<u>16,710</u>	<u>25,768</u>
Deferred tax (note 6c)	(72)	8,179
Total tax charge	<u>16,638</u>	<u>33,947</u>

#### (b) Factors affecting the tax charge for the year

	2012 £	2011 £
Profit on ordinary activities before taxation	1,539,329	1,659,490
Corporation tax at 26% (2011 - 28%)	<u>400,226</u>	<u>464,657</u>
Effect of		
Income taxable on minority interests	(374,353)	(294,374)
Expenses not deductible for tax purposes	12,535	15,822
Capital allowances in excess of depreciation	(16,684)	(20,570)
Income taxable at small companies rate	(5,014)	(6,719)
Losses utilised	-	(133,048)
	<u>16,710</u>	<u>25,768</u>

## Notes to the financial statements

For the year ended 31 March 2012

### 6. Taxation (continued)

(c) Deferred tax asset

<i>Group</i>	<i>2012</i> <i>£</i>	<i>2011</i> <i>£</i>
At 1 April	11,404	19,583
Deferred tax charge in profit and loss account	72	(8,179)
At 31 March	11,476	11,404
The deferred tax asset is made up as follows		
	<i>2012</i> <i>£</i>	<i>2011</i> <i>£</i>
Depreciation in excess of capital allowances	11,476	11,404
	11,476	11,404
<i>Company</i>	<i>2012</i> <i>£</i>	<i>2011</i> <i>£</i>
At 1 April	37,172	19,583
Deferred tax credit in profit and loss account	(25,696)	17,589
At 31 March	11,476	37,172
The deferred tax asset is made up as follows		
	<i>2012</i> <i>£</i>	<i>2011</i> <i>£</i>
Depreciation in excess of capital allowances	11,476	11,404
Share of LLP's unallocated profit	-	25,768
	11,476	37,172



## Notes to the financial statements

For the year ended 31 March 2012

### 7. Tangible fixed assets

#### Group & Company

	<i>Leasehold Improvements</i>	<i>Office equipment</i>	<i>Fixtures and fittings</i>	<i>Computer equipment</i>	<i>Total</i>
	£	£	£	£	£
<b>Cost:</b>					
At 1 April 2011	253,685	35,253	140,641	357,568	787,147
Additions	-	-	36,729	105,466	142,195
At 31 March 2012	253,685	35,253	177,370	463,034	929,342
<b>Depreciation:</b>					
At 1 April 2011	234,797	35,253	133,629	334,253	737,932
Charge for the year	6,390	-	6,504	22,797	35,691
At 31 March 2012	241,187	35,253	140,133	357,050	773,623
Net book value					
At 31 March 2012	12,498	-	37,237	105,984	155,719
At 31 March 2011	18,888	-	7,012	23,315	49,215

### 8. Fixed asset investments

#### Company

	<i>2012</i>	<i>2011</i>
	£	£
At cost		
At 1 April	1,395,000	1,395,000
At 31 March	1,395,000	1,395,000

The investment represents the company's 64.1% (2011 64.4%) capital interest in its subsidiary undertaking, Fulcrum Asset Management LLP, a limited liability partnership incorporated in England and Wales whose principal activity is the provision of investment management services

#### Group

Fulcrum Asset Management LLP is the beneficial owner of Fulcrum Asset Management LP and Fulcrum Asset Management GP LLC. Both companies were incorporated in the state of Delaware in the USA on 28 Feb 2011. The main activity of the LP is the provision of marketing services. The LLC was established as an investment company.

## Notes to the financial statements

For the year ended 31 March 2012

### 9. Debtors

	<i>Group</i>	<i>Company</i>	<i>Group</i>	<i>Company</i>
	<i>2012</i>	<i>2012</i>	<i>2011</i>	<i>2011</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
<b>Amounts falling due within one year:</b>				
Trade debtors	2,458	2,458	14,507	14,507
Amounts due from				
Fulcrum Asset Management Limited	-	78,656	-	61,253
Amounts due from Fulcrum Asset Management LLP	-	240,991	-	-
Amounts due from Fulcrum LP		7,489		
Corporation tax	15,993	-	-	-
Deferred tax (note 6c)	11,476	11,476	11,404	37,172
Other debtors	32,268	32,268	31,471	31,471
VAT recoverable	39,650	39,650	15,973	15,829
Prepayments and accrued income	1,325,666	224,314	1,484,051	146,208
	<u>1,427,511</u>	<u>637,302</u>	<u>1,557,406</u>	<u>306,440</u>
	<i>Group</i>	<i>Company</i>	<i>Group</i>	<i>Company</i>
	<i>2012</i>	<i>2012</i>	<i>2011</i>	<i>2011</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
<b>Amounts falling due after more than one year:</b>				
Rent deposit	327,357	327,357	327,357	327,357

## Notes to the financial statements

For the year ended 31 March 2012

### 10. Creditors: amounts falling due within one year

	<i>Group</i>	<i>Company</i>	<i>Group</i>	<i>Company</i>
	<i>2012</i>	<i>2012</i>	<i>2011</i>	<i>2011</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Trade creditors	95,505	95,505	89,132	89,132
Amounts due to Fulcrum Asset Management LLP	-	-	-	36,824
Amounts due to Fulcrum Asset Management Limited	47,481	-	77,971	-
Accruals and deferred income	109,102	35,446	145,617	119,234
Social security and other taxes	306,360	306,360	243,299	243,299
Corporation tax	-	1,710	10,768	10,768
Other creditors	-	-	28,630	26,568
	<u>558,448</u>	<u>439,021</u>	<u>595,417</u>	<u>525,825</u>

### 11. Creditors: amounts falling due after more than one year

	<i>Group</i>	<i>Company</i>	<i>Group</i>	<i>Company</i>
	<i>2012</i>	<i>2012</i>	<i>2011</i>	<i>2011</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Long term loan	247,181	247,181	247,181	247,181
	<u>247,181</u>	<u>247,181</u>	<u>247,181</u>	<u>247,181</u>

The long term loan is unsecured and repayable 20 days after the date on which the rent deposit debtor is repaid by the landlord to the company. Interest due on the loan is limited to all interest earned on the rent deposit debtor provided it is paid and not withheld by the landlord.

### 12. Minority interests

Minority interests represent the interests of the other members of Fulcrum Asset Management LLP

	<i>2012</i>	<i>2011</i>
	<i>£</i>	<i>£</i>
At 1 April	1,003,567	770,000
Capital contribution	5,000	5,000
Profit allocation	1,498,405	1,094,965
Payments to minority interests	(2,039,855)	(866,398)
	<u>467,117</u>	<u>1,003,567</u>

## Notes to the financial statements

For the year ended 31 March 2012

### 13. Called up share capital

<i>Group and company</i>	<i>Allotted, called up and fully paid 2012 £</i>	<i>Allotted, called up and fully paid 2011 £</i>
Ordinary shares of £1 each	437,500	437,500

### 14. Reconciliation of Shareholders' funds and movements on reserves

<i>Group</i>	<i>Share Capital £</i>	<i>Share premium £</i>	<i>Profit and loss account £</i>	<i>Total shareholders' funds £</i>
At 1 April 2011	437,500	667,011	83,836	1,188,347
Profit for the year	-	-	24,286	24,286
At 31 March 2012	437,500	667,011	108,122	1,212,633

<i>Company</i>	<i>Share Capital £</i>	<i>Share premium £</i>	<i>Profit and loss account £</i>	<i>Total shareholders' funds £</i>
At 1 April 2011	437,500	667,011	206,945	1,311,456
Profit for the year	-	-	521,311	521,311
At 31 March 2012	437,500	667,011	728,256	1,832,767

## Notes to the financial statements

For the year ended 31 March 2012

### 15. Notes to group cash flow statement

(a) Reconciliation of operating profit / (loss) to net cash flow from operating activities

	2012	2011
	£	£
Operating profit	1,434,536	1,520,209
Depreciation	35,691	18,339
(Increase) / decrease in debtors	145,960	(359,136)
Increase / (decrease) in creditors	(25,579)	132,764
Net cash inflow from operating activities	1,590,608	1,312,176

(b) Analysis of cash flows for headings netted in the statement of cash flows

	2012	2011
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	8,841	3,240
Other income	95,952	136,041
	104,793	139,281
<b>Tax</b>		
Corporation tax	43,471	-
<b>Capital expenditure and financial investment</b>		
Payments to acquire tangible fixed assets	(142,195)	(28,400)
Investment in subsidiary	-	(622)
	(142,195)	(29,022)
<b>Financing</b>		
Capital contribution from minority interests	5,000	5,000
Payments to minority interests	(2,039,855)	(866,398)
	(2,034,855)	(861,398)

(c) Analysis of changes in cash

	At 1 April 2011 £	Cash flows £	At 31 March 2012 £
Cash at bank	1,099,912	(525,120)	574,792

## Notes to the financial statements

For the year ended 31 March 2012

### 16. Operating lease commitments

At 31 March 2012 the company was committed to making the following annual payments in respect of operating leases

	<i>Buildings</i> 2012 £	<i>Buildings</i> 2011 £
Leases which expire In two to five years	330,600	330,600

### 17. Related party transactions

No disclosure has been made of transactions between the company and its subsidiary undertaking, Fulcrum Asset Management LLP in accordance with paragraph 3(c) of FRS8 "Related Party Disclosures"

During the year, the group received management and performance fees of £2,604,883 (2011 £2,740,094) from Fulcrum Asset Management Limited, the parent undertaking

During the year, the company paid bills on behalf of Fulcrum Asset Management Limited amounting to £17,403 (2011 £25,950)

At 31 March 2012, Fulcrum Asset Management Limited owed the company £78,656 (2011 £61,253) and the group owed Fulcrum Asset Management Limited £47,481 (2011 £77,971)

### 18. Parent undertaking and controlling party

In the director's opinion, the company's ultimate parent undertaking is Fulcrum Asset Management Limited, a company registered in the Cayman Islands