

ADJUSTED ACCOUNTS

**Report of the Directors and
Financial Statements for the Year Ended 31 December 2011
for
Alpha Forex Limited**

THURSDAY



LD4 *L12SC9S1* 16/02/2012 #41
COMPANIES HOUSE

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for the Year Ended 31 December 2011**

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Alpha Forex Limited

**Company Information
for the Year Ended 31 December 2011**

DIRECTORS:

M J Tillbrook
M Tillbrook
L J Halfnight
K Hickey

SECRETARY:

D Shah

REGISTERED OFFICE:

47/50 Peascod Street
Windsor
Berkshire
SL4 1DE

REGISTERED NUMBER:

05108142 (England and Wales)

AUDITORS:

Grunberg & Co Limited
Chartered Accountants & Registered Auditors
10/14 Accommodation Road
Golders Green
London
NW11 8ED

Alpha Forex Limited (Registered number: 05108142)

**Report of the Directors
for the Year Ended 31 December 2011**

The directors present their report with the financial statements of the company for the year ended 31 December 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of commercial and wholesale foreign exchange services

REVIEW OF BUSINESS

The results for the year are as shown in the annexed financial statements

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2011 will be £89,458

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2011 to the date of this report

M J Tillbrook
M Tillbrook
L J Halfnight
K Hickey

Other changes in directors holding office are as follows

S Moursi - resigned 21 November 2011
P Crann - appointed 11 February 2011 - resigned 7 December 2011

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 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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable 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.

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.


Alpha Forex Limited (Registered number: 05108142)

**Report of the Directors
for the Year Ended 31 December 2011**

AUDITORS

The auditors, Grunberg & Co Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

M J Tillbrook - Director

3 February 2012

Report of the Independent Auditors to the Members of Alpha Forex Limited

We have audited the financial statements of Alpha Forex Limited for the year ended 31 December 2011 on pages five to fifteen. 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 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 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 company's affairs as at 31 December 2011 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

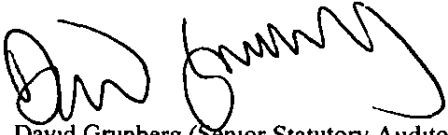
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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



David Grunberg (Senior Statutory Auditor)
for and on behalf of Grunberg & Co Limited
Chartered Accountants & Registered Auditors
10/14 Accommodation Road
Golders Green
London
NW11 8ED

3 February 2012

Alpha Forex Limited (Registered number: 05108142)

**Profit and Loss Account
for the Year Ended 31 December 2011**

		Year Ended 31 12 11	Period 1 7 10 to 31 12 10 as restated
	Notes	£	£
TURNOVER		120,445,612	55,718,855
Cost of sales		119,965,181	55,508,601
GROSS PROFIT		480,431	210,254
Administrative expenses		348,086	94,883
		132,345	115,371
Other operating income		-	200
OPERATING PROFIT	3	132,345	115,571
Interest payable and similar charges	4	3,200	8,000
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		129,145	107,571
Tax on profit on ordinary activities	5	23,992	28,092
PROFIT FOR THE FINANCIAL YEAR		105,153	79,479

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous period

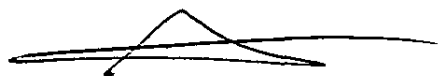
Alpha Forex Limited (Registered number: 05108142)

**Balance Sheet
31 December 2011**

		31 12 11		31 12 10 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	8		36,724		23,491
CURRENT ASSETS					
Debtors	9	271,134		119,794	
Cash at bank		1,042,509		977,203	
		<u>1,313,643</u>		<u>1,096,997</u>	
CREDITORS					
Amounts falling due within one year	10	<u>794,656</u>		<u>657,472</u>	
NET CURRENT ASSETS			<u>518,987</u>		<u>439,525</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			555,711		463,016
CREDITORS					
Amounts falling due after more than one year	11		-		400,000
NET ASSETS			<u>555,711</u>		<u>63,016</u>
CAPITAL AND RESERVES					
Called up share capital	14		500,000		23,000
Profit and loss account	15		55,711		40,016
SHAREHOLDERS' FUNDS	18		<u>555,711</u>		<u>63,016</u>

The financial statements were approved by the Board of Directors on 3 February 2012 and were signed on its behalf by

M J Tillbrook - Director



L J Halfnight - Director



The notes form part of these financial statements

**Cash Flow Statement
for the Year Ended 31 December 2011**

		Year Ended 31 12 11		Period 1 7 10 to 31 12 10 as restated	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		144,131		327,538
Returns on investments and servicing of finance	2		(3,200)		(8,000)
Taxation			(41,519)		-
Capital expenditure	2		(26,368)		(9,200)
Equity dividends paid			(89,458)		(43,508)
			(16,414)		266,830
Financing	2		81,720		(124,858)
Increase in cash in the period			65,306		141,972
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase in cash in the period		65,306		141,972	
Cash outflow from decrease in debt		400,000		100,000	
Change in net funds resulting from cash flows			465,306		241,972
Movement in net funds in the period			465,306		241,972
Net funds at 1 January			577,203		335,231
Net funds at 31 December			1,042,509		577,203

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2011

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year Ended 31 12 11	Period 1 7 10 to 31 12 10 as restated
	£	£
Operating profit	132,345	115,571
Depreciation charges	13,134	3,917
(Increase)/Decrease in debtors	(156,059)	10,019,255
Increase/(Decrease) in creditors	154,711	(9,811,205)
Net cash inflow from operating activities	144,131	327,538

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	Year Ended 31 12 11	Period 1 7 10 to 31 12 10 as restated
	£	£
Returns on investments and servicing of finance		
Interest paid	(3,200)	(8,000)
Net cash outflow for returns on investments and servicing of finance	(3,200)	(8,000)
Capital expenditure		
Purchase of tangible fixed assets	(26,368)	(9,200)
Net cash outflow for capital expenditure	(26,368)	(9,200)
Financing		
Repayment of intercompany loan	4,720	-
Loan repayments in year	(400,000)	(100,000)
Amount withdrawn by directors	-	(24,464)
Share issue	477,000	-
	-	(394)
Net cash inflow/(outflow) from financing	81,720	(124,858)

Notes to the Cash Flow Statement
for the Year Ended 31 December 2011

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 1 11 £	Cash flow £	At 31 12 11 £
Net cash			
Cash at bank	977,203	65,306	1,042,509
	<u>977,203</u>	<u>65,306</u>	<u>1,042,509</u>
Debt			
Debts falling due after one year	(400,000)	400,000	-
	<u>(400,000)</u>	<u>400,000</u>	<u>-</u>
Total	<u>577,203</u>	<u>465,306</u>	<u>1,042,509</u>

**Notes to the Financial Statements
for the Year Ended 31 December 2011**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards

Turnover

Turnover represents the gross value of currency transactions undertaken by the company's commercial foreign currency dealing business. Purchases of currency relating to the above transactions are treated as cost of sales. Turnover is recognised after receiving the client's authorisation to undertake a foreign currency transaction for immediate or forward delivery.

Where the company enters into contracts for forward delivery with its clients, the company also enters into separate matched forward contracts with its bankers.

Wherever contracts for forward delivery are open at the year end, the balance of contracts due from the client at maturity, is offset against the corresponding liability with the company's bankers.

Tangible fixed assets

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

Improvements to property	- 20% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

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 ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2 STAFF COSTS

	Year Ended 31 12 11	Period 1 7 10 to 31 12 10 as restated
	£	£
Wages and salaries	138,113	10,689
Social security costs	12,691	196
	<u>150,804</u>	<u>10,885</u>

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

Year Ended 31 12 11	Period 1 7 10 to 31 12 10 as restated
<u>7</u>	<u>6</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2011

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	Year Ended 31 12 11	Period 1 7 10 to 31 12 10 as restated
	£	£
Other operating leases	13,017	7,304
Depreciation - owned assets	13,135	3,917
Auditors' remuneration	6,660	3,600
Foreign exchange differences	(2,236)	7,021
	<u>36,485</u>	<u>6,480</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 12 11	Period 1 7 10 to 31 12 10 as restated
	£	£
Interest payable	<u>3,200</u>	<u>8,000</u>

5 TAXATION

Analysis of the tax charge

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

	Year Ended 31 12 11	Period 1 7 10 to 31 12 10 as restated
	£	£
Current tax		
UK corporation tax	<u>23,992</u>	<u>28,092</u>
Tax on profit on ordinary activities	<u>23,992</u>	<u>28,092</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2011

5 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	Year Ended 31 12 11	Period 1 7 10 to 31 12 10 as restated
	£	£
Profit on ordinary activities before tax	<u>129,145</u>	<u>107,571</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2010 - 28%)	33,578	30,120
Effects of		
Expenses not deductible for tax purposes	3,103	1,950
Capital allowances in excess of depreciation charge	(3,441)	(1,479)
Marginal relief claimed	(3,754)	(2,499)
Under provision of corporation tax	<u>(5,494)</u>	<u>-</u>
Current tax charge	<u>23,992</u>	<u>28,092</u>

6 DIVIDENDS

	Year Ended 31 12 11	Period 1 7 10 to 31 12 10 as restated
	£	£
Ordinary shares of £1 each		
Interim	<u>89,458</u>	<u>43,508</u>

7 PRIOR YEAR ADJUSTMENT

In prior years, wherever contracts for forward delivery were open at the year end, the balance of contracts due from the client at maturity were included in trade debtors and the corresponding liability with the company's bankers were included in trade creditors

However, the directors are of the opinion that the accounts show a more understandable presentation if these trade debtors are now offset against the trade creditors

The effect on the comparative figures has been to reduce both trade debtors and trade creditors by an amount of £22,656,022

Notes to the Financial Statements - continued
for the Year Ended 31 December 2011

8 TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2011	1,849	12,979	18,511	33,339
Additions	11,454	9,646	5,268	26,368
At 31 December 2011	13,303	22,625	23,779	59,707
DEPRECIATION				
At 1 January 2011	346	2,123	7,379	9,848
Charge for year	2,238	4,657	6,240	13,135
At 31 December 2011	2,584	6,780	13,619	22,983
NET BOOK VALUE				
At 31 December 2011	10,719	15,845	10,160	36,724
At 31 December 2010	1,503	10,856	11,132	23,491

9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 11	31 12 10 as restated
	£	£
Trade debtors	266,134	106,675
Amounts owed by group undertakings	-	4,719
Other debtors	5,000	8,400
	271,134	119,794

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 11	31 12 10 as restated
	£	£
Trade creditors	451,922	545,574
Corporation tax	26,178	43,705
Social security and other taxes	4,004	-
Other creditors	304,992	62,930
Accruals and deferred income	7,560	5,263
	794,656	657,472

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 12 11	31 12 10 as restated
	£	£
Other loans (see note 12)	-	400,000

Notes to the Financial Statements - continued
for the Year Ended 31 December 2011

12 LOANS

An analysis of the maturity of loans is given below

	31 12 11	31 12 10 as restated
	£	£
Amounts falling due between one and two years		
Other loans due within one to two years	-	400,000
	<u> </u>	<u> </u>

13 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid by the company

		Land and buildings
	31 12 11	31 12 10 as restated
	£	£
Expiring		
Within one year	20,000	20,000
Between one and five years	60,000	80,000
	<u> </u>	<u> </u>
	80,000	100,000
	<u> </u>	<u> </u>

14 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid				
Number	Class	Nominal value	31 12 11	31.12 10 as restated
			£	£
22,999	Ordinary	£1	22,999	22,999
1	A ordinary	£1	1	1
10	Redeemable preference	£47,700	477,000	-
			<u> </u>	<u> </u>
			500,000	23,000
			<u> </u>	<u> </u>

Allotted and issued				
Number	Class	Nominal value	31 12 11	31 12 10 as restated
			£	£
10	Redeemable preference shares	£47,700	477,000	-
			<u> </u>	<u> </u>

The following shares were issued during the year
for cash at par

10 Redeemable preference shares of £47,700

Notes to the Financial Statements - continued
for the Year Ended 31 December 2011

15 RESERVES

	Profit and loss account £
At 1 January 2011	40,016
Profit for the year	105,153
Dividends	(89,458)
	<hr/>
At 31 December 2011	55,711
	<hr/>

16 OTHER FINANCIAL COMMITMENTS

As at the year end, the company had entered into forward contracts totalling £15,703,889 (2010 - £22,656,022). This exposure is matched by commitments of at least equal value by customers whom have initiated these contracts

17 RELATED PARTY DISCLOSURES

During the year under review, the company traded foreign currency contracts, on normal commercial terms, amounting to £8,425,860 (2010 - £4,162,526) with Basic Thinking Limited, a company in which K Hickey is a director. Contracts amounting to £951,154 (2010 - £1,225,851) were open as at the year end

In addition, the company traded foreign currency contracts, on normal commercial terms, amounting to £1,281 (2010 - £16,736) with M J Tillbrook and £49,256 (2010 - £28,345) with M Tillbrook

The company also traded foreign currency contracts, on normal commercial terms, amounting to £18,383 (2010 - £nil) with S Watts, the wife of L J Halfnight, a director of the company. A contract amounting to £8,383 (2010 - £nil) was open as at the year end

During the year, the company paid interest, on normal commercial terms, of £3,200 (2010 - £8,000) to M J Tillbrook and £nil (2010 - £4,992) for consultancy services, also on normal commercial terms, to an entity in which M Tillbrook has a material interest

18 ULTIMATE CONTROLLING PARTY

The parent undertaking is Alpha Capital Limited, which holds 65% of the ordinary share capital in the company. The ultimate controller is M J Tillbrook, by virtue of his shareholding in the parent undertaking

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 12 11 £	31 12.10 as restated £
Profit for the financial year	105,153	79,479
Dividends	(89,458)	(43,508)
	<hr/>	<hr/>
Issue of redeemable preference shares	15,695	35,971
	477,000	-
	<hr/>	<hr/>
Net addition to shareholders' funds	492,695	35,971
Opening shareholders' funds	63,016	27,045
	<hr/>	<hr/>
Closing shareholders' funds	555,711	63,016
	<hr/>	<hr/>