

REGISTERED NUMBER: 05108142 (England and Wales)

**Report of the Directors and
Financial Statements for the Period 1 July 2010 to 31 December 2010
for
Alpha Forex Limited**



Alpha Forex Limited (Registered number: 05108142)

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for the Period 1 July 2010 to 31 December 2010**

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Alpha Forex Limited

**Company Information
for the Period 1 July 2010 to 31 December 2010**

DIRECTORS:

M J Tillbrook
M Tillbrook
L J Halfnigh
K Hickey
S Moursi

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 Period 1 July 2010 to 31 December 2010**

The directors present their report with the financial statements of the company for the period 1 July 2010 to 31 December 2010

PRINCIPAL ACTIVITY

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

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements

DIVIDENDS

The total distribution of dividends for the period ended 31 December 2010 will be £43,508

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2010 to the date of this report

M J Tillbrook
M Tillbrook
L J Halfmght
K Hickey
S Moursi

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.

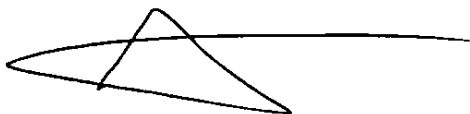
Alpha Forex Limited (Registered number: 05108142)

**Report of the Directors
for the Period 1 July 2010 to 31 December 2010**

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

2 February 2011

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

We have audited the financial statements of Alpha Forex Limited for the period ended 31 December 2010 on pages five to fourteen. 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 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 31 December 2010 and of its profit for the period 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

8 February 2011

Alpha Forex Limited (Registered number. 05108142)

**Profit and Loss Account
for the Period 1 July 2010 to 31 December 2010**

	Notes	Period 1 7 10 to 31 12 10 £	Year Ended 30 6 10 £
TURNOVER		55,718,855	40,157,528
Cost of sales		55,508,601	39,930,433
GROSS PROFIT		210,254	227,095
Administrative expenses		94,883	133,105
		115,371	93,990
Other operating income		200	-
OPERATING PROFIT	3	115,571	93,990
Interest payable and similar charges	4	8,000	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		107,571	93,990
Tax on profit on ordinary activities	5	28,092	15,613
PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION		79,479	78,377

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

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

The notes form part of these financial statements

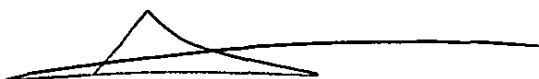
Alpha Forex Limited (Registered number: 05108142)

**Balance Sheet
31 December 2010**

	Notes	31 12 10 £	£	30 6 10 £	£
FIXED ASSETS					
Tangible assets	7		23,491		18,208
CURRENT ASSETS					
Debtors	8	22,775,816		10,138,655	
Cash at bank		977,203		835,231	
		23,753,019		10,973,886	
CREDITORS					
Amounts falling due within one year	9	23,313,494		10,465,049	
NET CURRENT ASSETS			439,525		508,837
TOTAL ASSETS LESS CURRENT LIABILITIES			463,016		527,045
CREDITORS					
Amounts falling due after more than one year	10		400,000		500,000
NET ASSETS			63,016		27,045
CAPITAL AND RESERVES					
Called up share capital	14		23,000		23,000
Profit and loss account	15		40,016		4,045
SHAREHOLDERS' FUNDS	18		63,016		27,045

The financial statements were approved by the Board of Directors on 2 February 2011 and were signed on its behalf by

M J Tillbrook - Director



L J Halfnight - Director



The notes form part of these financial statements

Alpha Forex Limited (Registered number: 05108142)

**Cash Flow Statement
for the Period 1 July 2010 to 31 December 2010**

	Notes	Period 1 7 10 to 31 12 10		Year Ended 30 6 10	
		£	£	£	£
Net cash inflow from operating activities	1		327,538		383,902
Returns on investments and servicing of finance	2		(8,000)		-
Capital expenditure	2		(9,200)		(21,538)
Equity dividends paid			(43,508)		(69,259)
			266,830		293,105
Financing	2		(124,858)		519,365
Increase in cash in the period			141,972		812,470
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase in cash in the period		141,972		812,470	
Cash outflow/(inflow) from decrease/(increase) in debt		100,000		(500,000)	
Change in net funds resulting from cash flows			241,972		312,470
Movement in net funds in the period			241,972		312,470
Net funds at 1 July			335,231		22,761
Net funds at 31 December			577,203		335,231

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Period 1 July 2010 to 31 December 2010

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

	Period 1 7 10 to 31 12 10 £	Year Ended 30 6 10 £
Operating profit	115,571	93,990
Depreciation charges	3,917	5,863
Increase in debtors	(12,636,767)	(10,074,480)
Increase in creditors	12,844,817	10,358,529
Net cash inflow from operating activities	327,538	383,902

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

	Period 1 7 10 to 31 12 10 £	Year Ended 30 6 10 £
Returns on investments and servicing of finance		
Interest paid	(8,000)	-
Net cash outflow for returns on investments and servicing of finance	(8,000)	-
Capital expenditure		
Purchase of tangible fixed assets	(9,200)	(21,538)
Net cash outflow for capital expenditure	(9,200)	(21,538)
Financing		
New loans in year	-	500,000
Loan repayments in year	(100,000)	-
Amount introduced by directors	-	163,690
Amount withdrawn by directors	(24,464)	(140,000)
Amounts due from parent company	(394)	(4,325)
Net cash (outflow)/inflow from financing	(124,858)	519,365

Alpha Forex Limited (Registered number: 05108142)

Notes to the Cash Flow Statement
for the Period 1 July 2010 to 31 December 2010

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 7 10 £	Cash flow £	At 31 12 10 £
Net cash			
Cash at bank	<u>835,231</u>	<u>141,972</u>	<u>977,203</u>
	<u>835,231</u>	<u>141,972</u>	<u>977,203</u>
Debt			
Debts falling due after one year	<u>(500,000)</u>	<u>100,000</u>	<u>(400,000)</u>
	<u>(500,000)</u>	<u>100,000</u>	<u>(400,000)</u>
Total	<u><u>335,231</u></u>	<u><u>241,972</u></u>	<u><u>577,203</u></u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Period 1 July 2010 to 31 December 2010**

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 included in debtors, and the corresponding liability with the company's bankers is included in creditors.

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

	Period 1 7 10 to 31 12 10 £	Year Ended 30 6 10 £
Wages and salaries	10,689	20,094
Social security costs	196	482
	<u>10,885</u>	<u>20,576</u>

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

	Period 1 7 10 to 31 12 10	Year Ended 30 6 10
Employees	<u>6</u>	<u>3</u>

Notes to the Financial Statements - continued
for the Period 1 July 2010 to 31 December 2010

3 OPERATING PROFIT

The operating profit is stated after charging

	Period 1 7 10 to 31 12 10 £	Year Ended 30 6 10 £
Other operating leases	7,304	44,011
Depreciation - owned assets	3,917	5,863
Auditors' remuneration	3,600	6,000
Foreign exchange differences	7,021	-
	<u>7,021</u>	<u>-</u>
Directors' remuneration	6,480	3,240
	<u>6,480</u>	<u>3,240</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	Period 1 7 10 to 31 12 10 £	Year Ended 30 6 10 £
Interest payable	8,000	-
	<u>8,000</u>	<u>-</u>

5 TAXATION

Analysis of the tax charge

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

	Period 1 7 10 to 31 12 10 £	Year Ended 30 6 10 £
Current tax		
UK corporation tax	28,092	15,613
	<u>28,092</u>	<u>15,613</u>
Tax on profit on ordinary activities	28,092	15,613
	<u>28,092</u>	<u>15,613</u>

UK corporation tax was charged at 21% in 2010

6 DIVIDENDS

	Period 1 7 10 to 31 12 10 £	Year Ended 30 6 10 £
Ordinary shares of £1 each		
Interim	43,508	69,259
	<u>43,508</u>	<u>69,259</u>

Notes to the Financial Statements - continued
for the Period 1 July 2010 to 31 December 2010

7 TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 July 2010	1,849	7,154	15,136	24,139
Additions	-	5,825	3,375	9,200
At 31 December 2010	<u>1,849</u>	<u>12,979</u>	<u>18,511</u>	<u>33,339</u>
DEPRECIATION				
At 1 July 2010	185	1,018	4,728	5,931
Charge for period	161	1,105	2,651	3,917
At 31 December 2010	<u>346</u>	<u>2,123</u>	<u>7,379</u>	<u>9,848</u>
NET BOOK VALUE				
At 31 December 2010	<u>1,503</u>	<u>10,856</u>	<u>11,132</u>	<u>23,491</u>
At 30 June 2010	<u>1,664</u>	<u>6,136</u>	<u>10,408</u>	<u>18,208</u>

8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 10 £	30 6 10 £
Trade debtors	22,762,697	10,129,998
Amounts owed by group undertakings	4,719	4,325
Other debtors	8,400	3,400
Prepayments and accrued income	-	932
	<u>22,775,816</u>	<u>10,138,655</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 10 £	30 6 10 £
Trade creditors	23,201,596	10,405,774
Corporation tax	43,705	15,613
Social security and other taxes	-	15
Other creditors	62,930	12,008
Directors' current accounts	-	24,464
Accruals and deferred income	5,263	7,175
	<u>23,313,494</u>	<u>10,465,049</u>

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 12 10 £	30 6 10 £
Other loans (see note 11)	<u>400,000</u>	<u>500,000</u>

Alpha Forex Limited (Registered number: 05108142)

**Notes to the Financial Statements - continued
for the Period 1 July 2010 to 31 December 2010**

11 LOANS

An analysis of the maturity of loans is given below

	31 12 10 £	30 6 10 £
Amounts falling due between one and two years		
Other loans due within one to two years	<u>400,000</u>	<u>500,000</u>

12 OPERATING LEASE COMMITMENTS

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

		Land and buildings
	31 12 10 £	30 6 10 £
Expiring Between one and five years	<u>20,000</u>	<u>-</u>

13 SECURED DEBTS

The following secured debts are included within creditors

	31 12 10 £	30 6 10 £
Other loans	<u>400,000</u>	<u>500,000</u>

The other loan is payable to M J Tillbrook, a director of the company and is secured by way of a mortgage debenture representing a fixed and floating charge over the assets of the company. Interest is payable at 3.5% above base rate, quarterly in arrears.

14 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	31 12 10 £	30 6 10 £
22,999	Ordinary	£1	22,999	22,999
1	A ordinary	£1	<u>1</u>	<u>1</u>
			<u>23,000</u>	<u>23,000</u>

Notes to the Financial Statements - continued
for the Period 1 July 2010 to 31 December 2010

15 RESERVES

	Profit and loss account £
At 1 July 2010	4,045
Profit for the period	79,479
Dividends	(43,508)
	<u>40,016</u>
At 31 December 2010	<u>40,016</u>

16 ULTIMATE PARENT COMPANY

The parent undertaking is Alpha Capital Limited, which holds 70% of the ordinary shares in the company. The ultimate controller is M J Tillbrook by virtue of his shareholding in the parent undertaking.

17 RELATED PARTY DISCLOSURES

During the period, on normal commercial terms, the company traded foreign currency contracts amounting to £4,162,526 (30 06 2010 - £9,959,675) with Basic Thinking Limited, a company in which K Hickey is a director. An amount of £1,225,851 (30 06 2010 - £2,438,195) was outstanding as at the period end.

In addition, the company traded foreign currency contracts, on normal commercial terms, amounting to £16,736 (30 06 2010 - £219,097) with M J Tillbrook and £28,345 (30 06 2010 - £nil) with M Tillbrook.

During the period, the company paid interest of £8,000 (30 06 2010 - £nil) to M J Tillbrook and £4,992 (30 06 2010 - £nil) for consultancy services, on normal commercial terms, to an entity in which M Tillbrook has a material interest.

Amounts owed by group undertakings related to the parent undertaking

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 12 10 £	30 6 10 £
Profit for the financial period	79,479	78,377
Dividends	(43,508)	(69,259)
	<u>35,971</u>	<u>9,118</u>
Net addition to shareholders' funds	27,045	17,927
Opening shareholders' funds	<u>63,016</u>	<u>27,045</u>
Closing shareholders' funds	<u>63,016</u>	<u>27,045</u>