

Acheron Capital Limited

Registered number 05588630

Directors' report and financial statements

For the year ended 31 December 2012

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ACHERON CAPITAL LIMITED

COMPANY INFORMATION

Directors	Jean-Michel Paul Peter Swete John Felitti Carlo Toller (appointed 17 May 2012)
Company secretary	Jean-Michel Paul
Registered number	05588630
Registered office	20-22 Bedford Row London WC1R 4JS
Independent auditors	Rees Pollock Chartered Accountants & Registered Auditors 35 New Bridge Street London EC4V 6BW
Accountants	Mazars LLP Times House Throwley Way Sutton Surrey SM1 4JQ

ACHERON CAPITAL LIMITED

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ACHERON CAPITAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and the financial statements for the year ended 31 December 2012

Directors' responsibilities statement

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 accounting 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.

Pillar 3 Disclosures

The firm has documented the disclosures required by the FCA under BIPRU 11. These are available from 1 Great Cumberland Place, London, W1H 7AL.

Principal activities

The principal activity of the company is the provision of investment management and advisory services.

Business review

The company provides investment management services and fees charged are based on the size of the assets managed. The assets under management as at 31 December 2012 were £79m (2011 - £78m). This growth is a good indicator of the company's ability in a challenging market. The company continues to be subject to exchange rate risk and will continue to monitor. The consistent level of costs are due to the company's internal controls being successful. Due to imminent external valuations the directors expect continued growth in both assets under management and profitability.

Results

The profit for the year, after taxation, amounted to £217,481 (2011 - £123,782).

ACHERON CAPITAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

Directors

The directors who served during the year were

Jean-Michel Paul
Peter Swete
John Felitti
Carlo Toller (appointed 17 May 2012)

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information

Auditors

The auditors, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board and signed on its behalf

Jean-Michel Paul
Director



Date

22/4/2013



REESPOLLOCK

Chartered Accountants

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London EC4V 6BW
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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ACHERON CAPITAL LIMITED

We have audited the financial statements of Acheron Capital Limited for the year ended 31 December 2012, set out on pages 4 to 14. 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 shareholders, 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 shareholders 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 shareholders 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 directors' responsibilities statement, 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 directors' report 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 2012 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.

Simon Rees (Senior statutory auditor)
for and on behalf of
Rees Pollock, Statutory auditor
22 April 2013

ACHERON CAPITAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 £	2011 £
Turnover	1	1,247,616	1,221,850
Administrative expenses		(978,938)	(1,058,966)
		<hr/>	<hr/>
Operating profit	3	268,678	162,884
Income from other fixed asset investments		8,188	-
Interest receivable and similar income		65	85
		<hr/>	<hr/>
Profit on ordinary activities before taxation		276,931	162,969
Tax on profit on ordinary activities	7	(59,450)	(39,187)
		<hr/>	<hr/>
Profit for the financial year	13	<u>217,481</u>	<u>123,782</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

The notes on pages 7 to 14 form part of these financial statements

ACHERON CAPITAL LIMITED

Registered number 05588630

BALANCE SHEET**AS AT 31 DECEMBER 2012**

	Note	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	8		38,993		20,059
Investments	9		670,245		455,849
			<u>709,238</u>		<u>475,908</u>
Current assets					
Debtors	10	106,730		255,639	
Cash at bank and in hand		341,760		313,537	
		<u>448,490</u>		<u>569,176</u>	
Creditors amounts falling due within one year	11	(741,254)		(766,091)	
Net current liabilities			<u>(292,764)</u>		<u>(196,915)</u>
Net assets			<u>416,474</u>		<u>278,993</u>
Capital and reserves					
Called up share capital	12		100,000		100,000
Profit and loss account	13		316,474		178,993
Shareholders' funds	14		<u>416,474</u>		<u>278,993</u>

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

Jean-Michel Paul
Director

Date

JM Paul
22/4/2013

The notes on pages 7 to 14 form part of these financial statements

ACHERON CAPITAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 £	2011 £
Net cash flow from operating activities	16	386,878	389,227
Returns on investments and servicing of finance	17	8,253	85
Taxation		(38,946)	(17,819)
Capital expenditure and financial investment	17	(247,962)	(395,581)
Equity dividends paid		(80,000)	(45,000)
Increase/(Decrease) in cash in the year		<u>28,223</u>	<u>(69,088)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS FOR THE YEAR ENDED 31 DECEMBER 2012

	2012 £	2011 £
Increase/(Decrease) in cash in the year	<u>28,223</u>	<u>(69,088)</u>
Movement in net funds in the year	28,223	(69,088)
Net funds at 1 January 2012	<u>313,537</u>	<u>382,625</u>
Net funds at 31 December 2012	<u>341,760</u>	<u>313,537</u>

The notes on pages 7 to 14 form part of these financial statements

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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 Going concern

The company has a satisfactory capital position and as a consequence the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook

The company has net current liabilities at the balance sheet date. However, based on predicted revenue and expenses for the next twelve months the directors have prepared a cash flow forecast and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Additionally, the directors do not consider the company to be exposed to significant liquidity risk as the fixed asset investments of £670,245 could be realised in a short space of time if the directors deemed it necessary. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

1.3 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.4 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

Motor vehicles	-	33.33% straight line
Furniture & Fixtures	-	33.33% straight line
Computer equipment	-	33.33% straight line

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

Deferred tax assets and liabilities are not discounted

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. Accounting policies (continued)

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

1.7 Investments

Listed and unlisted investments held as fixed assets are shown at historic cost at the balance sheet date, unless there has been a permanent diminution in value

2. Turnover

The whole of the turnover is attributable to the company's principal activity of providing management services

A geographical analysis of turnover is as follows

	2012 £	2011 £
E U	19,088	15,090
Rest of world	1,228,528	1,206,760
	<u>1,247,616</u>	<u>1,221,850</u>

3. Operating profit

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	14,632	11,883
Difference on foreign exchange	18,607	(9,361)
Operating lease - Land & Buildings	27,531	6,883
Profit on disposal of fixed asset	128	-
	<u>60,898</u>	<u>19,405</u>

4 Auditors' remuneration

	2012 £	2011 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	<u>6,250</u>	<u>6,250</u>

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

5. Staff costs

Staff costs, including directors' remuneration, were as follows

	2012 £	2011 £
Wages and salaries	305,149	332,622
Social security costs	37,432	35,772
	<u>342,581</u>	<u>368,394</u>

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

	2012 No.	2011 No.
Directors	2	1
Others	4	5
	<u>6</u>	<u>6</u>

6. Directors' remuneration

	2012 £	2011 £
Emoluments	<u>100,000</u>	<u>72,000</u>

7. Taxation

	2012 £	2011 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	59,450	39,295
Deferred tax		
Released during period	-	(108)
Tax on profit on ordinary activities	<u>59,450</u>	<u>39,187</u>

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 24.5% (2011 - 20%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	276,931	162,969
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 - 20%)	67,841	32,996
Effects of:		
Expenses not deductible for tax purposes	6,362	5,112
Depreciation in excess of capital allowances	(524)	838
Adjustments to tax charge in respect of prior periods	-	(69)
Timing differences on fixed assets	97	418
Capital gains	715	-
Dividends from Luxembourg companies	(2,006)	-
Marginal relief	(13,035)	-
Current tax charge for the year (see note above)	59,450	39,295

8. Tangible fixed assets

	Motor vehicles £	Furniture & Fixtures £	Computer equipment £	Total £
Cost				
At 1 January 2012	27,259	2,021	17,207	46,487
Additions	32,165	7,329	6,944	46,438
Disposals	(27,259)	-	-	(27,259)
At 31 December 2012	32,165	9,350	24,151	65,666
Depreciation				
At 1 January 2012	11,358	1,816	13,254	26,428
Charge for the year	10,177	942	3,513	14,632
On disposals	(14,387)	-	-	(14,387)
At 31 December 2012	7,148	2,758	16,767	26,673
Net book value				
At 31 December 2012	25,017	6,592	7,384	38,993
At 31 December 2011	15,901	205	3,953	20,059

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

9 Fixed asset investments

	Unlisted investments £	Listed investments £	Total £
Cost			
At 1 January 2012	182,462	273,387	455,849
Purchase price	231,585	45,176	276,761
Disposals	(10,185)	(52,180)	(62,365)
At 31 December 2012	403,862	266,383	670,245
Net book value			
At 31 December 2012	403,862	266,383	670,245
At 31 December 2011	182,462	273,387	455,849

Listed investments

The market value of the listed investments at 31 December 2012 was £343,109 (2011 - £362,663)

10. Debtors

	2012 £	2011 £
Due after more than one year		
Other debtors	16,440	16,440
Due within one year		
Trade debtors	32,146	190,825
VAT recoverable	5,607	8,321
Other debtors	36,743	19,873
Prepayments	15,794	20,180
	106,730	255,639

11. Creditors

Amounts falling due within one year

	2012 £	2011 £
Trade creditors	23,407	30,842
Corporation tax	59,450	38,946
Social security and other taxes	9,369	10,145
Other creditors	72,646	-
Accruals and deferred income	576,382	686,158
	741,254	766,091

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

12. Share capital

	2012 £	2011 £
Authorised, allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000

13. Reserves

	Profit and loss account £
At 1 January 2012	178,993
Profit for the year	217,481
Dividends Equity capital	(80,000)
At 31 December 2012	316,474

14 Reconciliation of movement in shareholders' funds

	2012 £	2011 £
Opening shareholders' funds	278,993	200,211
Profit for the year	217,481	123,782
Dividends (Note 15)	(80,000)	(45,000)
Closing shareholders' funds	416,474	278,993

15. Dividends

	2012 £	2011 £
Dividends paid on equity capital	80,000	45,000

16. Net cash flow from operating activities

	2012 £	2011 £
Operating profit	268,678	162,884
Depreciation of tangible fixed assets	14,632	11,883
Impairments of fixed assets	10,753	-
Decrease/(increase) in debtors	138,157	(112,076)
(Decrease)/increase in creditors	(45,342)	326,536
Net cash inflow from operating activities	386,878	389,227

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

17 Analysis of cash flows for headings netted in cash flow statement

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	65	85
Income from investments	8,188	-
Net cash inflow from returns on investments and servicing of finance	8,253	85
	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(46,438)	(4,891)
Sale of tangible fixed assets	12,872	-
Purchase of listed investments	(45,176)	(390,690)
Sale of listed investments	52,180	-
Purchase of unlisted and other investments	(231,585)	-
Sale of unlisted and other investments	10,185	-
Net cash outflow from capital expenditure	(247,962)	(395,581)

18. Analysis of changes in net funds

	1 January 2012 £	Cash flow £	Other non-cash changes £	31 December 2012 £
Cash at bank and in hand	313,537	28,223	-	341,760
Net funds	313,537	28,223	-	341,760

19. Operating lease commitments

At 31 December 2012 the Company had annual commitments under non-cancellable operating leases as follows

	2012 £	2011 £
Expiry date		
Between 2 and 5 years	27,531	27,531

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

20. Related party transactions

The company Furstenberg SARL is a related party with Jean-Michel Paul as a director. During the period Acheron Capital Ltd provided advisory services to Furstenberg SARL amounting to £8,335. The outstanding balance at year-end was £349.

21. Controlling party

Mr Jean-Michel Paul is the controlling party of the company.