

Acheron Capital Limited

Registered number 5588630

Directors' report and financial statements

For the year ended 31 December 2010

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ACHERON CAPITAL LIMITED

COMPANY INFORMATION

Directors	Jean-Michel Paul Peter Swete John Felitti (appointed 31 March 2010)
Company secretary	Jean-Michel Paul
Registered office	20-22 Bedford Row London WC1R 4JS
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
Company number	5588630

ACHERON CAPITAL LIMITED

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ACHERON CAPITAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

The directors present their report and the financial statements for the year ended 31 December 2010

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 2010 were £73m (2009 - £68m). 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 £51,523 (2009 - £31,667)

Directors

The directors who served during the year were

Jean-Michel Paul
Peter Swete
John Felitti (appointed 31 March 2010)

Statement of directors' responsibilities

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 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.

ACHERON CAPITAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

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

Rees Pollock have expressed their willingness to continue in office

This report was approved by the board on 11th April 2011 and signed on its behalf

JEAN-MICHEL PAUL

Director





REES POLLOCK

Chartered Accountants

35 New Bridge Street
London EC4V 6BW
Telephone 020 7778 7200
Fax 020 7329 6408
www.reespollock.co.uk

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ACHERON CAPITAL LTD

We have audited the financial statements of Acheron Capital Limited for the year ended 31 December 2010, set out on pages 4 to 13. 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 Auditors' 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 auditors

As explained more fully in the Statement of directors' responsibilities, 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.

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 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

13 April 2011

Partners: Simon Rees FCA CTA, Johnny Mouldsdaile FCA, Catherine Kimberlin FCA, Jonathan Munday FCA CTA, Chris Dimmick FCA, Chris Barnett ACA CTA, Phil Vipond ACA. Rees Pollock Limited.

Registered to carry on audit work in the UK and Ireland and regulated for a range of investment business activities by The Institute of Chartered Accountants in England and Wales.

VAT Registration No 524 9426 37

ACHERON CAPITAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
Turnover	1,2	1,177,515	1,142,215
Administrative expenses		(1,109,040)	(1,099,348)
		<hr/>	<hr/>
Operating profit	3	68,475	42,867
Interest receivable and similar income		101	159
		<hr/>	<hr/>
Profit on ordinary activities before taxation		68,576	43,026
Tax on profit on ordinary activities	7	(17,053)	(11,359)
		<hr/>	<hr/>
Profit for the financial year	14	<u>51,523</u>	<u>31,667</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2010 or 2009 other than those included in the Profit and loss account

The notes on pages 7 to 13 form part of these financial statements

ACHERON CAPITAL LIMITED

Registered number 5588630

BALANCE SHEET**AS AT 31 DECEMBER 2010**

	Note	£	2010 £	£	2009 £
Fixed assets					
Tangible assets	8		27,051		5,014
Investments	9		65,159		-
			<u>92,210</u>		<u>5,014</u>
Current assets					
Debtors	10	143,565		292,427	
Cash at bank and in hand		382,625		179,715	
		<u>526,190</u>		<u>472,142</u>	
Creditors amounts falling due within one year	11	(418,081)		(319,856)	
Net current assets			<u>108,109</u>		<u>152,286</u>
Total assets less current liabilities			<u>200,319</u>		<u>157,300</u>
Provisions for liabilities					
Deferred tax	12		(108)		(526)
Net assets			<u><u>200,211</u></u>		<u><u>156,774</u></u>
Capital and reserves					
Called up share capital	13		100,000		100,000
Profit and loss account	14		100,211		56,774
Shareholders' funds	15		<u><u>200,211</u></u>		<u><u>156,774</u></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

APRIL 13 2011

The notes on pages 7 to 13 form part of these financial statements

ACHERON CAPITAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
Net cash flow from operating activities	17	314,730	(9,860)
Returns on investments and servicing of finance	18	101	159
Taxation		(11,417)	(2,408)
Capital expenditure and financial investment	18	(92,418)	(2,796)
Equity dividends paid		(8,086)	-
Increase/(Decrease) in cash in the year		202,910	(14,905)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS FOR THE YEAR ENDED 31 DECEMBER 2010

	2010 £	2009 £
Increase/(Decrease) in cash in the year	202,910	(14,905)
Movement in net funds in the year	202,910	(14,905)
Net funds at 1 January 2010	179,715	194,620
Net funds at 31 December 2010	382,625	179,715

The notes on pages 7 to 13 form part of these financial statements

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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 Turnover

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

1.3 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
Office equipment	-	33 33% straight line
Computer equipment	-	33 33% straight line

1.4 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

1.5 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

1.6 Investments

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

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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

	2010 £	2009 £
E U	42,891	86,487
Rest of world	1,134,624	1,055,728
	<u>1,177,515</u>	<u>1,142,215</u>

3. Operating profit

The operating profit is stated after charging/(crediting)

	2010 £	2009 £
Depreciation of tangible fixed assets		
- owned by the company	5,222	3,697
Difference on foreign exchange	(2,944)	34,673
	<u></u>	<u></u>

4. Auditors' remuneration

	2010 £	2009 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	6,250	6,650
	<u></u>	<u></u>

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

5. Staff costs

Staff costs, including directors' remuneration, were as follows

	2010 £	2009 £
Wages and salaries	320,445	383,969
Social security costs	34,957	39,078
	<u>355,402</u>	<u>423,047</u>

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

	2010 No	2009 No.
Directors	1	1
Others	6	7
	<u>7</u>	<u>8</u>

6. Directors' remuneration

	2010 £	2009 £
Emoluments	<u>48,000</u>	<u>48,000</u>

7. Taxation

	2010 £	2009 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	17,471	11,417
Deferred tax (see note 12)		
Released during period	(418)	(58)
Tax on profit on ordinary activities	<u>17,053</u>	<u>11,359</u>

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year differs from (2009 - differs from) the standard rate of corporation tax in the UK of 21% (2009 - 21%) The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	68,576	43,026
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2009 - 21%)	14,401	9,035
Effects of:		
Expenses not deductible for tax purposes	2,652	2,324
Timing differences on fixed assets	418	58
Current tax charge for the year (see note above)	17,471	11,417

8. Tangible fixed assets

	Motor vehicles £	Furniture & Fixtures £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 January 2010	-	1,646	375	12,316	14,337
Additions	27,259	-	-	-	27,259
At 31 December 2010	27,259	1,646	375	12,316	41,596
Depreciation					
At 1 January 2010	-	562	375	8,386	9,323
Charge for the year	2,272	468	-	2,482	5,222
At 31 December 2010	2,272	1,030	375	10,868	14,545
Net book value					
At 31 December 2010	24,987	616	-	1,448	27,051
At 31 December 2009	-	1,084	-	3,930	5,014

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

9. Fixed asset investments

	Listed investments £
Cost	
Purchase price	65,159
At 31 December 2010	<u>65,159</u>

Listed investments

The market value of the listed investments at 31 December 2010 was £67,702 (2009 - £NIL)

10. Debtors

	2010 £	2009 £
Trade debtors	103,222	244,245
VAT recoverable	6,700	4,899
Other debtors	15,359	11,733
Prepayments	18,284	31,550
	<u>143,565</u>	<u>292,427</u>

11. Creditors: Amounts falling due within one year

	2010 £	2009 £
Trade creditors	131,461	49,394
Corporation tax	17,471	11,417
Social security and other taxes	7,758	11,838
Accruals	261,391	247,207
	<u>418,081</u>	<u>319,856</u>

12. Deferred taxation

	2010 £	2009 £
At beginning of year	108	584
Charge for/(released during) year	-	(58)
At end of year	<u>108</u>	<u>526</u>

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

13. Share capital

	2010 £	2009 £
Authorised, allotted, called up and fully paid 100,000 Ordinary shares of £1 each	100,000	100,000

14. Reserves

	Profit and loss account £
At 1 January 2010	56,774
Profit for the year	51,523
Dividends Equity capital	(8,086)
At 31 December 2010	100,211

15. Reconciliation of movement in shareholders' funds

	2010 £	2009 £
Opening shareholders' funds	156,774	125,107
Profit for the year	51,523	31,667
Dividends (Note 16)	(8,086)	-
Closing shareholders' funds	200,211	156,774

16. Dividends

	2010 £	2009 £
Dividends paid on equity capital	8,086	-

17. Net cash flow from operating activities

	2010 £	2009 £
Operating profit	68,475	42,867
Depreciation of tangible fixed assets	5,222	3,697
Decrease/(increase) in debtors	148,862	(164,550)
Increase in creditors	92,171	108,126
Net cash inflow/(outflow) from operating activities	314,730	(9,860)

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

18. Analysis of cash flows for headings netted in cash flow statement

	2010 £	2009 £
Returns on investments and servicing of finance		
Interest received	101	159
	<u>101</u>	<u>159</u>
	2010 £	2009 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(27,259)	(2,796)
Purchase of listed investments	(65,159)	-
	<u>(92,418)</u>	<u>(2,796)</u>
Net cash outflow from capital expenditure	<u>(92,418)</u>	<u>(2,796)</u>

19. Analysis of changes in net debt

	1 January 2010 £	Cash flow £	31 December 2010 £
Cash at bank and in hand	179,715	202,910	382,625
Net funds	<u>179,715</u>	<u>202,910</u>	<u>382,625</u>

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 £ 43,576. The outstanding balance due to Acheron Capital Ltd by Furstenberg SARL amounts to £ 19,408 as at 31/12/2010. During the year a loan of \$50,000 was made to Jean-Michel Paul. This had been repaid in full by year end.

21. Controlling party

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