

Acheron Capital Limited

Registered number: 05588630

Directors' report and financial statements

For the year ended 31 December 2015

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ACHERON CAPITAL LIMITED

COMPANY INFORMATION

Directors	Jean-Michel Paul Peter Swete John Felitti Carlo Toller Jean-Marc Winand
Company secretary	Jean-Michel Paul
Registered number	05588630
Registered office	20-22 Bedford Row London WC1R 4JS
Independent auditor	Rees Pollock 35 New Bridge Street London EC4V 6BW

ACHERON CAPITAL LIMITED

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ACHERON CAPITAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

Introduction

The company provides investment management and advisory services. Fees charged are based on the size of the assets managed and advised.

Business review

Three US trusts the company advises are essentially in run-off mode and a fourth one will close its investment by end of June 2016. Given the specific strategy under which they operate of acquisition of distressed life settlements, it is unlikely that they can be materially renewed at this stage. While the return of the capital to investors in 2015 and in the years ahead has to be seen as an investment success, it also indicates that in the years ahead the company's income from this source will gradually decrease. Thus the premise of the strategy is that, while the company should have a sizable and stable income for the immediate years ahead, this income will automatically decline over time.

As an alternative to a broader ILS strategy, the company has been researching cyclically well positioned niche products that it could develop and sell to investors. While two strategies have been determined: private debt in North-East Asia and distressed Real Estate in Florida only the private debt one is being developed at this stage. In order to execute this strategy, hiring took place to ensure that Acheron has the capacity to manage it. Furthermore, local agreements have been made or are being made to enable local access to the underlying products. It is to be noted that further 'research projects' associated with these developments are continuing, for instance we are continuing to explore the possibility of a Vietnamese Real Estate Investment Trust.

The development of these this product is challenging in two ways. First, Acheron needs to establish its credentials and credibility in sectors it has not previously been associated with. Secondly, considerable resources have to be allocated to ensure the management and distribution of the product can be delivered at the standard investors have come to expect from the company. The Board recognises that it will be critical to the ongoing success of the business that this new product, and any others developed in the coming years, reaches a critical size to offset the declining income predicted from the existing life settlement products.

Due to the nature and complexity of the products offered and to be offered as these strategies develop, the Firm intends to retain its current authorizations regarding the type of clients it can deal with and will continue to market to Professional clients and Eligible counterparties only.

Principal risks and uncertainties

In the short term, the main risk for the company is the currency risk. Revenues are overwhelmingly in US\$ while fixed costs are in GB£. The company continues to monitor this risk and keeps sufficient capital to cover this risk. In the medium term the main uncertainty and risk for the business come from the capacity of the company to increase the assets under management and the revenues generated.

Financial key performance indicators

The assets under management as at 31 December 2015 were £88m (2014 - £76m). This increase in AUM was mainly driven by weakening of the £ against the US\$. The creation in 2015 of the Class E of Acheron Portfolio Corporation (Luxembourg) S.A. with a committed capital of US\$ 6.1m of which 3.05m were drawn down in 2015 and the increase of AUM for Hopewell SV SCA offset part of the decrease in the AUM figure due to distribution occurred in the ILS strategy.

While the profit for the year amounted to £ 340,909 (2014 - £190,517) it must be noted that most of this increase is due to a revaluation of the investments under FRS102.

On March 3rd 2016, the board of directors decided an interim dividend of £ 50,000, £12,000 of which were paid on March 24th.

This report was approved by the board on

26/04/2016

and signed on its behalf.

ACHERON CAPITAL LIMITED

Strategic report (continued)


Carlo Toller
Director

ACHERON CAPITAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Results and dividends

The profit for the year, after taxation, amounted to £283,605 (2014 :£190,517).

Directors

The directors who served during the year were:

Jean-Michel Paul
Peter Swete
John Felitti
Carlo Toller
Jean-Marc Winand

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless 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; and
- 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.

Provision of information to auditor

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 auditor is 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 relevant audit information and to establish that the company's auditor is aware of that information.

ACHERON CAPITAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

Post balance sheet events

There have been no significant events affecting the company since the year end.

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.

Auditors

The auditor, 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.



Carlo Toller
Director

Date: 26/04/2016

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 2015, set out on pages 6 to 23. 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) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2015 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 Strategic report and 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.

Peter Scott (Senior statutory auditor)
for and on behalf of
Rees Pollock, Statutory Auditor

26 April 2016

ACHERON CAPITAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
Turnover		1,258,296	1,164,542
Gross profit		<u>1,258,296</u>	<u>1,164,542</u>
Administrative expenses		(918,161)	(1,033,833)
Operating profit		<u>340,135</u>	<u>130,709</u>
Income from fixed assets investments		32,847	-
Gain/loss on revaluation of investments		(7,574)	99,297
Interest receivable and similar income	8	141	91
Profit before tax		<u>365,549</u>	<u>230,097</u>
Tax on profit	9	(81,944)	(39,580)
Profit for the year		<u>283,605</u>	<u>190,517</u>
Other comprehensive income for the year			
Total comprehensive income for the year		<u>283,605</u>	<u>190,517</u>

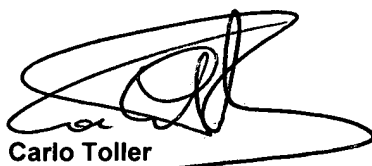
ACHERON CAPITAL LIMITED

Registered number: 05588630

**BALANCE SHEET
AS AT 31 DECEMBER 2015**

	Note	2015 £	Restated 2014 £
Fixed assets			
Tangible assets	11	2,701	17,254
Investments	12	771,549	715,171
		<u>774,250</u>	<u>732,425</u>
Current assets			
Debtors	13	114,731	53,372
Cash at bank and in hand	14	376,361	386,453
		<u>491,092</u>	<u>439,825</u>
Creditors: amounts falling due within one year	15	(511,231)	(603,113)
Net current liabilities		<u>(20,139)</u>	<u>(163,288)</u>
Total assets less current liabilities		<u>754,111</u>	<u>569,137</u>
Provisions for liabilities			
Deferred tax		(1,369)	-
		<u>(1,369)</u>	<u>-</u>
Net assets		<u><u>752,742</u></u>	<u><u>569,137</u></u>
Capital and reserves			
Called up share capital	19	100,000	100,000
Profit and loss account	18	652,742	469,137
		<u><u>752,742</u></u>	<u><u>569,137</u></u>

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



Carlo Toller
Director

Date: 26/04/2016

The notes on pages 10 to 23 form part of these financial statements.

ACHERON CAPITAL LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2015

	Share capital £	Retained earnings £	Total equity £
At 1 January 2015	100,000	469,137	569,137
Comprehensive income for the year			
Profit for the year	-	283,605	283,605
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	283,605	283,605
Contributions by and distributions to owners			
Dividends: Equity capital	-	(100,000)	(100,000)
Total transactions with owners	-	(100,000)	(100,000)
AT 31 December 2015	100,000	652,742	752,742

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2014

	Share capital £	Retained earnings £	Total equity £
At 1 January 2014	100,000	378,620	478,620
Comprehensive income for the year			
Profit for the year	-	190,517	190,517
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	190,517	190,517
Contributions by and distributions to owners			
Dividends: Equity capital	-	(100,000)	(100,000)
Total transactions with owners	-	(100,000)	(100,000)
AT 31 December 2014	100,000	469,137	569,137

The notes on pages 10 to 23 form part of these financial statements.

ACHERON CAPITAL LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	283,605	190,517
Adjustments for:		
Depreciation of tangible assets	14,552	24,273
Interest receivable	(141)	(91)
Income from fixed assets & dividends	(32,847)	-
Taxation	81,944	39,580
Increase in debtors	(61,358)	149,237
Increase in creditors	(131,358)	(183,676)
Corporation tax	(41,099)	(47,927)
Loss/gain on revaluation of investments	2,104	(99,297)
Net cash generated from operating activities	115,402	72,616
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(791)
Sale of listed investments	-	6,978
Purchase of unlisted and other investments	(131,070)	(504,963)
Sale of unlisted and other investments	72,588	633,508
Interest received	141	91
Income from investments	32,847	-
Net cash from investing activities	(25,494)	134,823
Cash flows from financing activities		
Dividends paid	(100,000)	(100,000)
Net cash used in financing activities	(100,000)	(100,000)
Net increase / (decrease) in cash and cash equivalents	(10,092)	107,439
Cash and cash equivalents at beginning of year	386,453	279,014
Cash and cash equivalents at the end of year	376,361	386,453
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	376,361	386,453
	376,361	386,453

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention investments and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 24.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note).

The following principal accounting policies have been applied:

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 £771,549 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 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

The estimated useful lives range as follows:

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

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

1.5 Operating leases: Lessee

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

1.6 Valuation of investments

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

1.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

1.9 Financial instruments

The company's policy for accounting for investments is disclosed elsewhere. The company does not trade in other financial instruments and all other such instruments arise directly from operations. All trade and other debtors are initially recognised at transaction value, as none contain in substance a financing transaction. Thereafter trade and other debtors are reviewed for impairment where there is objective evidence based on observable data that the balance may be impaired. The company does not hold collateral against its trade and other receivables so its exposure to credit risk is the net balance of trade and other debtors after allowance for impairment. The company's cash holdings comprise on demand balances. All cash is held with banks with strong external credit ratings. Trade and other creditors and accruals are initially recognised at transaction value as none represent a financing transaction. They are only derecognised when they are extinguished. As the company only has short term receivables and payables, its net current asset position is a reasonable measure of its liquidity at any given time.

1.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

1.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

1.13 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

1.14 Provisions for Liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The directors do not believe that any critical judgement has been made in the process of applying the company's accounting policies that would have a material effect in the statutory financial statements.

3. Analysis of turnover

Analysis of turnover by geographical location is as follows:

	2015 £	2014 £
Rest of Europe	800	-
Rest of the world	1,257,496	1,164,542
	<u>1,258,296</u>	<u>1,164,542</u>

The rest of the world figure relates to turnover from United States of America, and the rest of Europe figure relates to turnover from Luxembourg.

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

4. Operating profit

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	14,553	24,273
Exchange differences	(828)	10,266
Operating lease - Land & Buildings	27,531	27,531
	<u>27,531</u>	<u>27,531</u>

5. Auditor's remuneration

	2015 £	2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	6,500	6,500
	<u>6,500</u>	<u>6,500</u>

6. Employees

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	336,569	376,834
Social security costs	37,968	45,823
	<u>374,537</u>	<u>422,657</u>

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

	2015 No.	2014 No.
Directors	3	3
Others	3	4
	<u>6</u>	<u>7</u>

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

7. Directors' remuneration

	2015 £	2014 £
Emoluments	210,000	211,877
	<u>210,000</u>	<u>211,877</u>

The highest paid director received remuneration of 110,000 (2014: £110,761)

8. Interest receivable

	2015 £	2014 £
Other interest receivable	141	91
	<u>141</u>	<u>91</u>

9. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	80,694	41,099
Adjustments in respect of previous periods	(119)	-
	<u>80,575</u>	<u>41,099</u>
Total current tax	<u>80,575</u>	<u>41,099</u>
Deferred tax		
Origination and reversal of timing differences	1,369	(1,519)
Total deferred tax	<u>1,369</u>	<u>(1,519)</u>
Taxation on profit on ordinary activities	<u>81,944</u>	<u>39,580</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>365,549</u>	<u>230,097</u>

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

9. Taxation (continued)

Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	74,011	46,019
Effects of:		
Fixed asset differences	187	264
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	12,177	5,834
Capital allowances for year in excess of depreciation	-	3,417
Adjustments to tax charge in respect of prior periods	(119)	-
Other timing differences leading to an increase (decrease) in taxation	4,779	(1,519)
Non-taxable income	(6,918)	(17,897)
Adjustment for closing deferred tax to average rate of 20.25%	426	-
Adjustment for opening deferred tax to average rate of 20.25%	(23)	-
Capital gains	-	5,424
Deferred tax not recognised	(1,898)	-
Other differences leading to an increase (decrease) in the tax charge	-	(1,962)
Marginal relief	(677)	-
Unexplained difference	(1)	-
Total tax charge for the year	81,944	39,580

10. Dividends

	2015	2014
	£	£
Dividends analysis - Jean-Michel Paul	100,000	100,000

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

11. Tangible fixed assets

	Motor vehicles £	Furniture & fixtures £	Computer equipment £	Total £
Cost				
At 1 January 2015	32,165	11,072	47,779	91,016
At 31 December 2015	<u>32,165</u>	<u>11,072</u>	<u>47,779</u>	<u>91,016</u>
Depreciation				
At 1 January 2015	28,591	8,456	36,715	73,762
Charge for the year	3,574	2,281	8,698	14,553
At 31 December 2015	<u>32,165</u>	<u>10,737</u>	<u>45,413</u>	<u>88,315</u>
Net Book Value				
At 31 December 2015	<u>-</u>	<u>335</u>	<u>2,366</u>	<u>2,701</u>
AT 31 December 2014	<u>3,574</u>	<u>2,616</u>	<u>11,064</u>	<u>17,254</u>

12. Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2015	178,222	536,949	715,171
Additions	-	131,070	131,070
Disposals	-	(80,162)	(80,162)
Revaluations	(3,390)	8,860	5,470
At 31 December 2015	<u>174,832</u>	<u>596,717</u>	<u>771,549</u>
At 31 December 2015	<u>174,832</u>	<u>596,717</u>	<u>771,549</u>
AT 31 December 2014	<u>178,222</u>	<u>536,949</u>	<u>715,171</u>

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

13. Debtors

	2015 £	2014 £
Due after more than one year		
Other debtors	-	16,440
	<u>-</u>	<u>16,440</u>
Due within one year		
Trade debtors	68,658	643
Other debtors	32,311	20,158
Prepayments and accrued income	13,762	16,131
	<u>114,731</u>	<u>53,372</u>

14. Cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	376,361	386,453
	<u>376,361</u>	<u>386,453</u>

15. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	74,298	66,683
Corporation tax	80,575	41,099
Taxation and social security	8,030	10,015
Other creditors	30,543	24,525
Accruals and deferred income	317,785	460,791
	<u>511,231</u>	<u>603,113</u>

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

16. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets measured at fair value through profit or loss	771,549	715,171
Financial assets that are debt instruments measured at amortised cost	477,328	423,694
	<u>1,248,877</u>	<u>1,138,865</u>
Financial Liabilities		
Financial liabilities measure at amortised cost	(275,289)	(331,105)
	<u>(275,289)</u>	<u>(331,105)</u>

Financial assets measured at fair value through profit or loss comprises listed and unlisted investments.

Financial assets measured at amortised cost comprises of other debtors due in more than one year, trade debtors, other debtors due within one year and cash at bank and in hand.

Financial Liabilities measured at amortised cost comprises of trade creditors, other creditors and accruals

17. Deferred taxation

	Deferred tax £
Charged to the profit or loss	(1,369)
At 31 December 2015	<u>(1,369)</u>

The deferred taxation balance is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	3,410	-
Future gains on investment disposals	(4,779)	-
	<u>(1,369)</u>	<u>-</u>

18. Reserves

Profit & loss account

This reserve represents cumulative profits and losses.

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

19. Share capital

	2015 £	2014 £
Authorised, allotted, called up and fully paid		
100,000 ordinary shares of £1 each	100,000	100,000

20. Commitments under operating leases

At 31 December 2015 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
Not later than 1 year	4,589	27,531
Later than 1 year and not later than 5 years	-	4,589
Total	4,589	32,120

On 3rd March 2016, Acheron entered into a new lease. The rental charge per year is £29,700 and the lease is due to expire on 2nd March 2021.

21. Related party transactions

The company Hopewell Asset Company Limited is a related party as Acheron Capital Limited has significant influence over the entity. During the year, an amount of £nil (2014: £28,888) due from Hopewell Asset Company Limited was written off. The outstanding balance at year end was £5,057 (2014: £nil) which is in other creditors relates to proceeds due to the company on the sale of shares.

During the year, dividends of £100,000 (2014: £100,000) were paid to Jean- Michel Paul, a director.

22. Post balance sheet events

There have been no significant events affecting the company since the year end.

23. Controlling party

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

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

24. First time adoption of FRS 102

	As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	FRS 102 (as restated) 1 January 2014 £	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Fixed assets	812,489	(20,356)	792,133	722,613	9,812	732,425
Current assets	481,626	-	481,626	439,825	-	439,825
Creditors: amounts falling due within one year	(793,620)	-	(793,620)	(603,113)	-	(603,113)
Net current liabilities	(311,994)	-	(311,994)	(163,288)	-	(163,288)
Total assets less current liabilities	500,495	(20,356)	480,139	559,325	9,812	569,137
Provisions for liabilities	(1,519)	-	(1,519)	-	-	-
Net assets	498,976	(20,356)	478,620	559,325	9,812	569,137
Capital and reserves	498,976	(20,356)	478,620	559,325	9,812	569,137

ACHERON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

24. First time adoption of FRS 102 (continued)

	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Turnover	1,164,542	-	1,164,542
	1,164,542	-	1,164,542
Administrative expenses	(1,033,833)	-	(1,033,833)
Operating profit	130,709	-	130,709
Gain/loss on revaluation of investments	69,129	30,168	99,297
Interest receivable and similar income	91	-	91
Taxation	(39,580)	-	(39,580)
Profit on ordinary activities after taxation and for the financial year	160,349	30,168	190,517

Explanation of changes to previously reported profit and equity:

- 1 The transitional adjustment relates to the fair value of investments held by the company as at 1 January 2014 and 31 December 2014. This adjustment has resulted in a net revaluation of £30,168.