

Registered number  
06731780

**DIRECT MARKET TOUCH LIMITED**

Report and Accounts

31 October 2013

TUESDAY



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**DIRECT MARKET TOUCH LIMITED**  
**Report and accounts**  
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*Pages 14 and 15 do not form part of the statutory accounts*

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**DIRECT MARKET TOUCH LIMITED**  
**Company Information**

**Directors**

Mr A R D Charalambous  
Mr P Charalambous

**Secretary**

Mr A R D Charalambous

**Auditors**

TAT Accounting Ltd  
26 Hillfield Park  
London  
N21 3QH

**Bankers**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

**Registered office**

Holland House  
4 Bury Street  
London  
EC3A 5AW

**Registered number**

06731780

## **DIRECT MARKET TOUCH LIMITED**

**Registered number:** 06731780

### **Directors' Report**

The directors present their report and accounts for the year ended 31 October 2013

#### **Principal activities**

The company's principal activity during the year continued to be that of security brokerage and fund management

#### **Review of the business**

The detailed results for the period are set out in the profit and loss account on page 5. During the year the company's business activities were affected by the requirement for its personnel to have suitable RDR qualifications. The considerable amounts of time spent in recruiting and/or training such personnel coupled with difficulties in the trading environment resulted in the company suffering a loss.

#### **Future developments**

The directors aim to maintain the management policies which resulted in the company's satisfactory results in prior years and are cautiously optimistic that the forthcoming year will be a successful one.

#### **Directors**

The following persons served as directors during the year

Mr A R D Charalambous

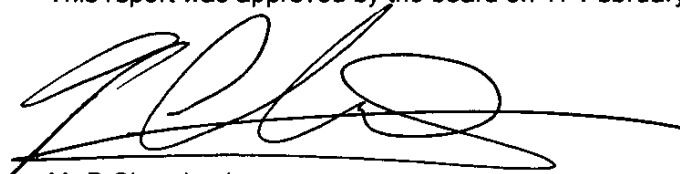
Mr P Charalambous

#### **Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he 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 auditor is aware of that information.

This report was approved by the board on 17 February 2014 and signed on its behalf

A handwritten signature in black ink, appearing to be 'P Charalambous', written over a horizontal line.

Mr P Charalambous  
Director

## **DIRECT MARKET TOUCH LIMITED**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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 accounts,
- prepare the accounts 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 accounts 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.

**DIRECT MARKET TOUCH LIMITED**  
**Independent auditors' report**  
**to the shareholders of DIRECT MARKET TOUCH LIMITED**

We have audited the accounts of DIRECT MARKET TOUCH LIMITED for the year ended 31 October 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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 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 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, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit the accounts 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**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 accounts.

**Opinion on the accounts**

In our opinion the accounts

- give a true and fair view of the state of the company's affairs as at 31 October 2013 and of its loss 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.

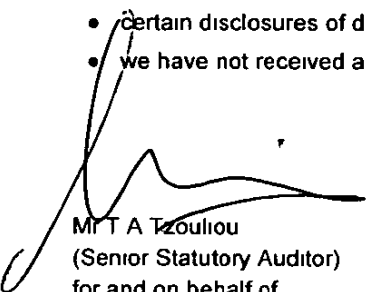
**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

**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 accounts 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.



Mr T A Tzoulou  
(Senior Statutory Auditor)  
for and on behalf of  
TAT Accounting Ltd  
Chartered Accountants and Statutory Auditors  
17 February 2014

26 Hillfield Park  
  
London  
  
N21 3QH

**DIRECT MARKET TOUCH LIMITED**  
**Profit and Loss Account**  
**for the year ended 31 October 2013**

	Notes	2013 £	2012 £
<b>Turnover</b>	2	467,417	960,494
Cost of sales		(24,416)	(11,434)
<b>Gross profit</b>		<u>443,001</u>	<u>949,060</u>
Administrative expenses		(621,540)	(676,066)
<b>Operating (loss)/profit</b>	3	<u>(178,539)</u>	<u>272,994</u>
Interest receivable		593	908
<b>(Loss)/profit on ordinary activities before taxation</b>		<u>(177,946)</u>	<u>273,902</u>
Tax on (loss)/profit on ordinary activities	6	32,666	(56,887)
<b>(Loss)/profit for the financial year</b>		<u>(145,280)</u>	<u>217,015</u>

**Continuing operations**

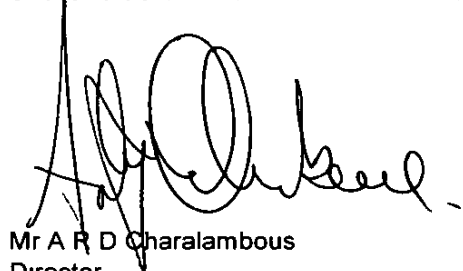
None of the company's activities were acquired or discontinued during the above two financial years

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the (loss)/profit for the above two financial years

**DIRECT MARKET TOUCH LIMITED**  
**Balance Sheet**  
**as at 31 October 2013**

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	7	1,937	3,098
<b>Current assets</b>			
Debtors	8	113,644	34,536
Cash at bank and in hand		<u>271,695</u>	<u>722,184</u>
		385,339	756,720
<b>Creditors' amounts falling due within one year</b>	9	(54,065)	(281,094)
<b>Net current assets</b>		<u>331,274</u>	<u>475,626</u>
<b>Total assets less current liabilities</b>		<u>333,211</u>	<u>478,724</u>
<b>Provisions for liabilities</b>			
Deferred taxation	10	(387)	(620)
<b>Net assets</b>		<u>332,824</u>	<u>478,104</u>
<b>Capital and reserves</b>			
Called up share capital	11	50,000	50,000
Profit and loss account	12	282,824	428,104
<b>Shareholders' funds</b>	14	<u>332,824</u>	<u>478,104</u>



Mr A R D Charalambous  
Director

Approved by the board on 17 February 2014



**DIRECT MARKET TOUCH LIMITED**  
**Cash Flow Statement**  
**for the year ended 31 October 2013**

	Notes	2013 £	2012 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating (loss)/profit		(178,539)	272,994
Depreciation and amortisation		3,335	2,792
Increase in debtors		(79,108)	(3,468)
(Decrease)/increase in creditors		(169,634)	163,238
<b>Net cash (outflow)/inflow from operating activities</b>		<u>(423,946)</u>	<u>435,556</u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash (outflow)/inflow from operating activities</b>		(423,946)	435,556
<b>Returns on investments and servicing of finance</b>	15	593	908
<b>Taxation</b>		(24,962)	(182,556)
<b>Capital expenditure</b>	15	<u>(2,174)</u> (450,489)	<u>(1,375)</u> 252,533
<b>Equity dividends paid</b>		<u>-</u> (450,489)	<u>(400,000)</u> (147,467)
<b>Decrease in cash</b>		<u>(450,489)</u>	<u>(147,467)</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
Decrease in cash in the period		(450,489)	(147,467)
<b>Change in net debt</b>	16	<u>(450,489)</u>	<u>(147,467)</u>
<b>Net funds at 1 November</b>		<u>722,184</u>	<u>869,651</u>
<b>Net funds at 31 October</b>		<u>271,695</u>	<u>722,184</u>

**DIRECT MARKET TOUCH LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

***Turnover***

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers

***Depreciation***

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows

Plant and machinery	over 4 years
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***Deferred taxation***

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates

***Leasing and hire purchase commitments***

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding

Rentals paid under operating leases are charged to income on a straight line basis over the lease term

**2 Analysis of turnover**

	2013 £	2012 £
By activity		
Security brokerage and fund management	<u>467,417</u>	<u>960,494</u>
By geographical market		
UK	<u>467,417</u>	<u>960,494</u>

**DIRECT MARKET TOUCH LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

<b>3 Operating profit</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
This is stated after charging		
Depreciation of owned fixed assets	3,335	2,792
Operating lease rentals - land buildings	89,736	94,896
Auditors' remuneration for audit services	4,800	4,800
	<u>          </u>	<u>          </u>
<b>4 Directors' emoluments</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Emoluments	29,474	162,505
	<u>          </u>	<u>          </u>
<b>5 Staff costs</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Wages and salaries	194,979	327,518
Social security costs	19,437	39,864
	<u>214,416</u>	<u>367,382</u>
<b>Average number of employees during the year</b>	<b>Number</b>	<b>Number</b>
Administration	1	1
Marketing	1	1
Sales	5	4
	<u>7</u>	<u>6</u>
<b>6 Taxation</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
Current tax		
UK corporation tax on profits of the period	(32,433)	57,395
Deferred tax		
Origination and reversal of timing differences	(233)	(508)
	<u>(32,666)</u>	<u>56,887</u>
Tax on (loss)/profit on ordinary activities		

**DIRECT MARKET TOUCH LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

**6 Taxation (continued)**

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	2013 £	2012 £
(Loss)/profit on ordinary activities before tax	(177,946)	273,902
Standard rate of corporation tax in the UK	20.0%	20.0%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	(35,589)	54,780
Effects of		
Expenses not deductible for tax purposes	2,924	2,332
Capital allowances for period in excess of depreciation	232	283
Current tax charge for period	(32,433)	57,395

The standard rate of corporation tax shown above represents the effective rate of UK tax on the company's taxable profits after allowing for marginal relief where applicable

**7 Tangible fixed assets**

	Fixtures, fittings and equipment £
<b>Cost</b>	
At 1 November 2012	11,167
Additions	2,174
At 31 October 2013	13,341
<b>Depreciation</b>	
At 1 November 2012	8,069
Charge for the year	3,335
At 31 October 2013	11,404
<b>Net book value</b>	
At 31 October 2013	1,937
At 31 October 2012	3,098

**DIRECT MARKET TOUCH LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

<b>8 Debtors</b>	<b>2013</b>	<b>2012</b>		
	<b>£</b>	<b>£</b>		
Trade debtors	50,801	-		
Other debtors	12,200	12,200		
Prepayments and accrued income	18,210	22,336		
Corporation tax	32,433	-		
	<u>113,644</u>	<u>34,536</u>		
<b>9 Creditors' amounts falling due within one year</b>	<b>2013</b>	<b>2012</b>		
	<b>£</b>	<b>£</b>		
Trade creditors	36,239	19,581		
Corporation tax	-	57,395		
Other taxes and social security costs	-	33,276		
Other creditors	8,676	158,231		
Accruals and deferred income	9,150	12,611		
	<u>54,065</u>	<u>281,094</u>		
<b>10 Deferred taxation</b>	<b>2013</b>	<b>2012</b>		
	<b>£</b>	<b>£</b>		
Accelerated capital allowances	387	620		
Undiscounted provision for deferred tax	<u>387</u>	<u>620</u>		
	<b>2013</b>	<b>2012</b>		
	<b>£</b>	<b>£</b>		
At 1 November	620	1,128		
Deferred tax charge in profit and loss account	(233)	(508)		
At 31 October	<u>387</u>	<u>620</u>		
<b>11 Share capital</b>	<b>Nominal value</b>	<b>2013 Number</b>	<b>2013 £</b>	<b>2012 £</b>
Allotted, called up and fully paid Ordinary shares	£1 each	50,000	<u>50,000</u>	<u>50,000</u>
<b>12 Profit and loss account</b>		<b>2013</b>		
		<b>£</b>		
At 1 November 2012		428,104		
Loss for the financial year		(145,280)		
At 31 October 2013		<u>282,824</u>		

**DIRECT MARKET TOUCH LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

<b>13 Dividends</b>	<b>2013 £</b>	<b>2012 £</b>
Dividends for which the company became liable during the year		
Dividends paid	-	400,000

<b>14 Reconciliation of movement in shareholders' funds</b>	<b>2013 £</b>	<b>2012 £</b>
At 1 November	478,104	661,089
(Loss)/profit for the financial year	(145,280)	217,015
Dividends	-	(400,000)
At 31 October	332,824	478,104

<b>15 Gross cash flows</b>	<b>2013 £</b>	<b>2012 £</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	593	908
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	(2,174)	(1,375)

<b>16 Analysis of changes in net debt</b>	<b>At 1 Nov 2012 £</b>	<b>Cash flows £</b>	<b>Non-cash changes £</b>	<b>At 31 Oct 2013 £</b>
Cash at bank and in hand	722,184	(450,489)		271,695
Total	722,184	(450,489)	-	271,695

**17 Other financial commitments**

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	<b>Land and buildings 2013 £</b>	<b>Land and buildings 2012 £</b>	<b>Other 2013 £</b>	<b>Other 2012 £</b>
Operating leases which expire within two to five years	50,400	87,840	-	-

**DIRECT MARKET TOUCH LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

<b>18 Related party transactions</b>	<b>2013 £</b>	<b>2012 £</b>
<b>Mr A R D Charalambous</b>		
Director		
Interest-free loan to company		
Amount due to Mr A R D Charalambous	1,448	10,915
<b>Mr P Charalambous</b>		
Director		
Interest-free loan to company		
Amount due to Mr P Charalambous	1,267	10,734

**19 Ultimate controlling party**

The company is under joint control by the directors, Messrs A R D and P Charalambous