

Registered number
06731780

DIRECT MARKET TOUCH LIMITED

Report and Financial Statements

31 October 2016

DIRECT MARKET TOUCH LIMITED
Report and Financial Statements
Contents

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Strategic report	4
Independent auditors' report	5
Income statement	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10-16
Detailed profit and loss account	17-18

Pages 17 and 18 do not form part of the Financial Statements

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

8-9 New Street

London

EC2M 4TP

Registered number

06731780

DIRECT MARKET TOUCH LIMITED

Registered number:

06731780

Directors' Report

The directors present their report and financial statements for the year ended 31 October 2016.

Principal activities

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

Strategic Report

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of the business review and future developments.

Dividends

The directors approved and declared a final dividend of £100,000 (£2 per share). The dividend was paid shortly after the balance sheet date.

Events since the balance sheet date

There are no matters to report as post balance sheet events.

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 22 February 2017 and signed on its behalf.

Mr P Charalambous
Director

DIRECT MARKET TOUCH LIMITED

Statement of Directors' Responsibilities

The directors are responsible for preparing the report and 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 (Financial Reporting Standard 102 and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.

Strategic Report

Review of the business

Principal risks and uncertainties

Future developments

This report was approved by the board on 22 February 2017 and signed on its behalf.

Director

DIRECT MARKET TOUCH LIMITED

Independent auditors' report

to the members of DIRECT MARKET TOUCH LIMITED

We have audited the financial statements of DIRECT MARKET TOUCH LIMITED for the year ended 31 October 2016 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 accounts

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

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 2016 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the Strategic 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 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 Tzouliou

(Senior Statutory Auditor)

for and on behalf of

TAT Accounting Ltd

Accountants and Statutory Auditors

22 February 2017

26 Hillfield Park

London

N21 3QH

DIRECT MARKET TOUCH LIMITED
Income Statement
for the year ended 31 October 2016

	Notes	2016 £	2015 £
Turnover	2	707,812	568,029
Cost of sales		(26,202)	(25,892)
Gross profit		<u>681,610</u>	<u>542,137</u>
Administrative expenses		(520,468)	(512,407)
Operating profit	3	<u>161,142</u>	<u>29,730</u>
Interest receivable		254	357
Profit on ordinary activities before taxation		<u>161,396</u>	<u>30,087</u>
Tax on profit on ordinary activities	6	(33,827)	(7,390)
Profit for the financial year		<u>127,569</u>	<u>22,697</u>

DIRECT MARKET TOUCH LIMITED**Statement of Financial Position****as at 31 October 2016**

	Notes	2016	2015
		£	£
Fixed assets			
Tangible assets	7	1,743	2,280
Current assets			
Debtors	8	141,696	79,040
Cash at bank and in hand		448,533	366,712
		<u>590,229</u>	<u>445,752</u>
Creditors: amounts falling due within one year	9	(169,660)	(53,182)
Net current assets		<u>420,569</u>	<u>392,570</u>
Total assets less current liabilities		<u>422,312</u>	<u>394,850</u>
Provisions for liabilities			
Deferred taxation	10	<u>(349)</u>	<u>(456)</u>
Net assets		<u>421,963</u>	<u>394,394</u>
Capital and reserves			
Called up share capital	11	50,000	50,000
Profit and loss account	12	371,963	344,394
Total equity		<u>421,963</u>	<u>394,394</u>

Mr A R D Charalambous

Director

Approved by the board on 22 February 2017

DIRECT MARKET TOUCH LIMITED
Statement of Changes in Equity
for the year ended 31 October 2016

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
At 1 November 2014	50,000	-	-	381,697	431,697
Profit for the financial year				22,697	22,697
Dividends				(60,000)	(60,000)
At 31 October 2015	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>344,394</u>	<u>394,394</u>
At 1 November 2015	50,000	-	-	344,394	394,394
Profit for the financial year				127,569	127,569
Dividends				(100,000)	(100,000)
At 31 October 2016	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>371,963</u>	<u>421,963</u>

DIRECT MARKET TOUCH LIMITED
Statement of Cash Flows
for the year ended 31 October 2016

	Notes	2016 £	2015 £
Operating activities			
Profit for the financial year		127,569	22,697
Adjustments for:			
Interest receivable		(254)	(357)
Tax on profit on ordinary activities		33,827	7,390
Depreciation		1,676	1,734
Increase in debtors		(62,656)	(13,347)
Increase in creditors		90,248	9,113
		<u>190,410</u>	<u>27,230</u>
Interest received		254	357
Corporation tax paid		(7,704)	(26,455)
Cash generated by operating activities		<u>182,960</u>	<u>1,132</u>
Investing activities			
Payments to acquire tangible fixed assets		(1,139)	(169)
Cash used in investing activities		<u>(1,139)</u>	<u>(169)</u>
Financing activities			
Equity dividends paid		(100,000)	(60,000)
Cash used in financing activities		<u>(100,000)</u>	<u>(60,000)</u>
Net cash generated/(used)			
Cash generated by operating activities		182,960	1,132
Cash used in investing activities		(1,139)	(169)
Cash used in financing activities		(100,000)	(60,000)
Net cash generated/(used)		<u>81,821</u>	<u>(59,037)</u>
Cash and cash equivalents at 1 November		<u>366,712</u>	<u>425,749</u>
Cash and cash equivalents at 31 October		<u>448,533</u>	<u>366,712</u>
Cash and cash equivalents comprise:			
Cash at bank		<u>448,533</u>	<u>366,712</u>

DIRECT MARKET TOUCH LIMITED

Notes to the Accounts

for the year ended 31 October 2016

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. 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:

Fixtures, fittings and equipment	over 4 years
----------------------------------	--------------

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

2 Analysis of turnover	2016	2015
	£	£
Security brokerage and fund management fees and commissions	707,812	568,029
By geographical market:		
UK	707,812	568,029
3 Operating profit	2016	2015
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	1,676	1,734
Operating lease rentals - land and buildings	58,201	50,978
Auditors' remuneration for audit services	5,100	5,400
4 Directors' emoluments	2016	2015
	£	£

Emoluments	24,000	26,000
	<hr/>	<hr/>
5 Staff costs	2016	2015
	£	£
Wages and salaries	226,102	181,795
Social security costs	22,860	15,794
	<hr/>	<hr/>
	248,962	197,589
	<hr/>	<hr/>
Average number of employees during the year	Number	Number
Administration	2	2
Marketing	1	1
Sales	3	4
	<hr/>	<hr/>
	6	7
	<hr/>	<hr/>
6 Taxation	2016	2015
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	33,934	7,703
	<hr/>	<hr/>
Deferred tax:		
Origination and reversal of timing differences	(107)	(313)
	<hr/>	<hr/>
Tax on profit on ordinary activities	33,827	7,390
	<hr/>	<hr/>
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:		
	2016	2015
	£	£
Profit on ordinary activities before tax	161,396	30,087
	<hr/>	<hr/>
Standard rate of corporation tax in the UK	20%	20%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	32,279	6,017
Effects of:		
Expenses not deductible for tax purposes	1,548	1,373
Capital allowances for period in excess of depreciation	107	313

Current tax charge for period	33,934	7,703
-------------------------------	--------	-------

Factors that may affect future tax charges

The company is expected to benefit from the upcoming changes to the corporation tax rate, which according to current legislation will be reduced to 17% from 1 April 2020.

7 Tangible fixed assets

	Fixtures, fittings and equipment
	At cost
	£
Cost or valuation	
At 1 November 2015	16,728
Additions	1,139
At 31 October 2016	17,867
Depreciation	
At 1 November 2015	14,448
Charge for the year	1,676
At 31 October 2016	16,124
Carrying amount	
At 31 October 2016	1,743
At 31 October 2015	2,280

8 Debtors	2016	2015
	£	£
Trade debtors	71,939	7,700
Other debtors	40,270	40,270
Prepayments and accrued income	29,487	31,070
	141,696	79,040

9 Creditors: amounts falling due within one year	2016	2015
	£	£
Trade creditors	11,978	10,866
Corporation tax	33,933	7,703
Other taxes and social security costs	-	5,795
Other creditors	111,660	13,631
Accruals and deferred income	12,089	15,187
	169,660	53,182

10 Deferred taxation	2016	2015
	£	£
Accelerated capital allowances	349	456
	<hr/>	<hr/>
	2016	2015
	£	£
At 1 November	456	769
Credited to the profit and loss account	(107)	(313)
	<hr/>	<hr/>
At 31 October	349	456
	<hr/>	<hr/>

11 Share capital	Nominal value	2016 Number	2016 £	2015 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	50,000	50,000	50,000
			<hr/>	<hr/>

12 Profit and loss account	2016	2015
	£	£
At 1 November	344,394	381,697
Profit for the financial year	127,569	22,697
Dividends	(100,000)	(60,000)
	<hr/>	<hr/>
At 31 October	371,963	344,394
	<hr/>	<hr/>

13 Dividends	2016	2015
	£	£
Dividends on ordinary shares (note 12)	100,000	60,000
	<hr/>	<hr/>

14 Other financial commitments

Total future minimum lease payments under non-cancellable operating leases:

	Land and buildings	Land and buildings	Other	Other
	2016	2015	2016	2015
	£	£	£	£
Falling due:				
within one year	40,270	-	-	-

within two to five years	-	40,270	-	-
	<u>40,270</u>	<u>40,270</u>	<u>-</u>	<u>-</u>

15 Related party transactions

2016

2015

£

£

Mr A R D Charalambous

Director

Interest-free loan to company

Amount due to Mr A R D Charalambous 52,329 2,014

Dividends paid to Mr A R D Charalambous 50,000 30,000

Mr P Charalambous

Director

Interest-free loan to company

Amount due to Mr P Charalambous 51,770 2,014

Dividends paid to Mr P Charalambous 50,000 30,000

The interest-free loans to the company by Messrs A R D and P Charalambous were reduced to £2,329 and £1,770 respectively shortly after the balance sheet date.

16 Controlling party

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

17 Presentation currency

The financial statements are presented in Sterling.

18 Legal form of entity and country of incorporation

DIRECT MARKET TOUCH LIMITED is a private company limited by shares and incorporated in England.

19 Principal place of business

The address of the company's principal place of business and registered office is:

8-9 New Street

London

EC2M 4TP

20 Reconciliations on adoption of FRS 102

Profit and loss for the year ended 31 October 2015	£
Profit under former UK GAAP	22,697
Profit under FRS 102	<u>22,697</u>
Balance sheet at 31 October 2015	£
Equity under former UK GAAP	394,394
Equity under FRS 102	<u>394,394</u>
Balance sheet at 1 November 2014	£
Equity under former UK GAAP	431,697
Equity under FRS 102	<u>431,697</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.