

**Company Number: 02056541**

**EXOTIX LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED**  
**30 JUNE 2012**

MONDAY



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COMPANIES HOUSE

# **EXOTIX LIMITED**

## **Directors' Report for the period ended 30 June 2012**

The directors present their report and the audited financial statements of the company for the period ended 30 June 2012

### **PRINCIPAL ACTIVITY**

The company's principal activity is the broking of illiquid bonds, equities and loans on both matched principal and agency bases. The company is authorised and regulated by the Financial Services Authority of the United Kingdom and authorised by the Financial Services Authority of Dubai.

The company is incorporated and domiciled in England & Wales and also transacts financial services from a branch domiciled within the Dubai International Financial Centre. The registered office of the company is 54 Baker Street, London, W1U 7BU.

### **CHANGE OF FINANCIAL YEAR END**

In light of the events detailed below in the business review the directors elected to extend the reporting period to 15-months and change the year-end of the company to 30 June 2012.

### **BUSINESS REVIEW**

With financial markets remaining depressed in large part due to the continuing uncertainty over peripheral EU states the company experienced another difficult year in which a number of hard decisions needed to be made to reduce the cost base of the business. After careful consideration the directors therefore resolved to close three unprofitable business units and the representative office in Argentina. Needless to say, these actions carried with them high one-off costs but reduced the ongoing cost base of the company to one more commensurate with its revenue generating capacity.

Notwithstanding these actions, on the 31 May 2012 the majority of the employees of the company resigned to establish a new trading entity (Exotix Partners LLP). In light of this, the company has ceased trading in the United Kingdom and entered into undertakings to close its remaining business units as soon as Exotix Partners LLP receives the requisite regulatory permissions. Once this happens the company will become dormant but not seek dissolution pending the outcome of a pending legal action.

During the period, the Company was named as a codefendant (along with Exotix USA Inc and certain subsidiaries of ICAP Plc, which, until 2007, was the parent undertaking of the Company) in a lawsuit relating to a transaction conducted in May 2002. The complaint in the action alleges that the New York desk of Intercapital Securities LLC, a former subsidiary of ICAP Plc, contracted to deliver 71,430 Venezuelan Oil Warrants to a Massachusetts based fund but failed to honour their contractual obligation to deliver the Warrants. Neither the Company, nor any of its affiliates, is a successor entity to Intercapital Securities LLC, and the directors believe that the Company has been erroneously made a party to the action merely because Intercapital Securities LLC has subsequently been dissolved and the fund failed to seek redress before the statute of limitations expired. Whilst the directors of the Company consider the action by the fund against the company to be without merit, and although the cost of presenting a motion to dismiss has been high, the company needed to incur these costs to defend the Company against the claim. The motion to dismiss is currently before the Massachusetts court. Should the motion fail, the directors may be obliged, notwithstanding their belief that there is no merit to the claim against the Company, to treat the action as a contingent liability.

### **Results and dividends**

Following what was effectively the closure of the business the company paid a dividend of £13,565,000 (2011: £Nil) on 31 May 2012 that was financed by the sale of available-for-sale assets. Making allowance for the prospective liability noted above the directors have resolved to retain a capital base of \$6m within the company and have secured a further £1.85m of standby financing through the issuance of subordinated debt. In light of the foregoing, the directors are therefore unable to recommend payment of a final dividend.

The results of the company are set out in the statement of comprehensive income on page 5 and the net loss for the year of £311,000 (2011: profit of £279,000) has been transferred to reserves.

### **FINANCIAL RISK MANAGEMENT**

The company's risk profile and financial risk management policies are disclosed in note 2 to the financial statements.

# **EXOTIX LIMITED**

## **Directors' Report for the period ended 30 June 2012**

### **KEY PERFORMANCE INDICATORS**

The company's directors are of the opinion that revenue and operating profit are key performance indicators of the business. These are disclosed on page 5.

### **DIRECTORS**

The directors of the company who held office during the year were

P J Bartlett  
A Chappell  
D Gelber  
M Wreford

### **DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

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 applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as applied in accordance with the provisions of the Companies Act 2006. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state that the financial statements comply with IFRSs as adopted by the European Union,

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **CREDITOR PAYMENT POLICY**

Once works have been completed to a satisfactory standard, all external trade creditors are paid within 30 days of the balance falling due and payable.

### **CHARITABLE AND POLITICAL DONATIONS**

During the year the company made charitable donations of £67,255, (2011 £65,785) but ceased making political donations (2011 £50,000 to the Conservative Party).

### **BASEL II REGULATORY REPORTING**

The information required in respect of the Pillar 3 disclosures as stipulated in BIPRU 11 of the FSA handbook can be found publicly on the company's website.

# **EXOTIX LIMITED**

## **Directors' Report for the period ended 30 June 2012**

### **PROVISION OF INFORMATION TO THE AUDITORS**

In the case of each person who was a director at the time this report was approved

- so far as that director was aware there was no relevant available information of which the company's auditors were unaware, and
- that director had taken all steps that the director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors were aware of that information

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

### **AUDITORS**

A resolution to reappoint Nexia Smith & Williamson as auditors will be proposed at the forthcoming Annual General Meeting

By Order of the Board



For and on behalf of the Board

Andrew Chappell

Director

Date 19 October 2012

Company Registration Number 02056541

# EXOTIX LIMITED

## Independent Auditors' Report to the members of Exotix Limited

We have audited the financial statements of Exotix Limited for the period ended 30 June 2012 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 (APB'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 APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### 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 30 June 2012 and of its loss for the period then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

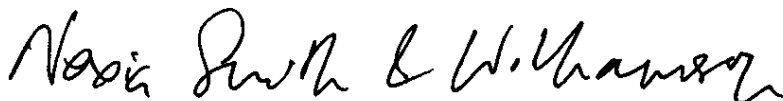
### Opinion on other matter prescribed by the Companies Act 2006

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.



Carl Deane  
Senior Statutory Auditor, for and on behalf of  
**Nexia Smith & Williamson**  
Statutory Auditor  
Chartered Accountants

Portwall Place  
Bristol  
BS1 6NA

Date



# EXOTIX LIMITED

## Statement of Comprehensive Income for the period ended 30 June 2012

|   | <u>Note</u> | <u>15-months to</u><br><u>30 June 2012</u><br>£'000 | <u>12-months to</u><br><u>31 March 2011</u><br>£'000 |
|---|-------------|---|--|
| Commission and brokerage income                 |             | 11,677  | 12,282   |
| Commission and brokerage expenses               |             | (399)   | (220)  |
| <b>Net commission and trading income</b>        |             | <u>11,278</u>                                       | <u>12,062</u>  |
| Net (loss)/gain on held for trading investments |             | (129)   | 593  |
| Administrative expenses                         | 3,4,5,6     | (11,572)  | (12,132)   |
| <b>Operating (loss) / profit</b>                |             | <u>(423)</u>  | <u>523</u>   |
| Finance income                                  | 7           | 80  | 46   |
| Finance costs                                   | 8           | -   | (25)   |
| <b>(Loss) / profit before taxation</b>          |             | <u>(343)</u>  | <u>544</u>   |
| Taxation  | 9           | 32  | (265)  |
| <b>Total comprehensive income for the year</b>  |             | <u><u>(311)</u></u>                                 | <u><u>279</u></u>                                    |

All business activities are classified as discontinued and the company will cease trading on the date the UK Financial Services Authority approves the transfer of Part IV permissions from the company to Exotix Partners LLP

The notes on pages 9 to 23 form part of these financial statements

**EXOTIX LIMITED****Statement of Changes in Equity for the period ended 30 June 2012**

|                     | <u>Share<br/>capital</u> | <u>Share<br/>premium<br/>reserve</u> | <u>Retained<br/>earnings</u> | <u>Total</u>  |
|---------------------|--------------------------|--------------------------------------|------------------------------|---------------|
|                     | £'000                    | £'000                                | £'000                        | £'000         |
| As at 1 April 2010  | 1,000                    | 32                                   | 17,158                       | 18,190        |
| Profit for the year | -                        | -                                    | 279                          | 279           |
| As at 31 March 2011 | <u>1,000</u>             | <u>32</u>                            | <u>17,437</u>                | <u>18,469</u> |
| Loss for the period | -                        | -                                    | (311)                        | (311)         |
| Dividend            | -                        | -                                    | (13,565)                     | (13,565)      |
| As at 30 June 2012  | <u>1,000</u>             | <u>32</u>                            | <u>3,561</u>                 | <u>4,593</u>  |

# EXOTIX LIMITED

## Statement of Financial Position as at 30 June 2012

|   | <u>Note</u> | <u>As at</u><br><u>30 June 2012</u><br><u>£'000</u> | <u>As at</u><br><u>31 March 2011</u><br><u>£'000</u> |
|---|-------------|---|--|
| <b>Non-current assets</b>                               |             |   |  |
| Property, plant and equipment                           | 10          | 93  | 483  |
| <b>Current assets</b>                                   |             |   |  |
| Trade and other receivables                             | 11          | 5,658   | 2,654  |
| Held for trading investments                            | 12          | -   | 11,669   |
| Cash and cash equivalents                               | 13          | 3,504   | 6,708  |
|   |             | <u>9,162</u>  | <u>21,031</u>  |
| <b>Total assets</b>                                     |             | <u>9,255</u>  | <u>21,514</u>  |
| <b>Current liabilities</b>                              |             |   |  |
| Trade and other payables                                | 14          | (2,812)   | (3,079)  |
| Tax payable   |             | -   | 34   |
|   |             | <u>(2,812)</u>                                      | <u>(3,045)</u>                                       |
| <b>Liabilities falling due after more than one year</b> |             |   |  |
| Subordinated debt                                       | 16          | (1,850)   | -  |
| <b>Total Liabilities</b>                                |             | <u>(4,662)</u>                                      | <u>(3,045)</u>                                       |
| <b>Net assets</b>                                       |             | <u>4,593</u>  | <u>18,469</u>  |
| <b>Equity</b>   |             |   |  |
| Called up share capital                                 | 15          | 1,000   | 1,000  |
| Share premium reserve                                   |             | 32  | 32   |
| Retained earnings                                       |             | 3,561   | 17,437   |
| <b>Total equity</b>                                     |             | <u>4,593</u>  | <u>18,469</u>  |

The financial statements were approved by the board of directors and were signed on its behalf by

A Chappell

Directors

P Bartlett

Date: 19 October 2012



**EXOTIX LIMITED****Statement of Cash Flows for the period ended 30 June 2012**

|  | <u>Note</u> | <u>Period<br/>ended<br/>30 June 2012<br/>£'000</u> | <u>Year<br/>ended<br/>31 March 2011<br/>£'000</u> |
|--|-------------|--|---|
| <b>Cash flows from operating activities</b>  |             |  |   |
| (Loss) / Profit before taxation  |             | (343)  | 544   |
| Adjustments to reconcile profit before tax to net cash flows from operating activities |             |  |   |
| Depreciation   |             | 235  | 261   |
| Net finance income   |             | (80)   | (21)  |
| (Increase) / decrease in trade and other receivables                                   |             | (2,898)  | 2,007   |
| (Decrease) / increase in trading investments   |             | 129  | (592)   |
| (Decrease) in trade and other payables   |             | (266)  | (1,829)   |
| Foreign exchange movement  |             | (29)   | (17)  |
| Cash generated from operations   |             | <u>(3,252)</u>                                     | <u>353</u>  |
| Corporation tax paid   |             | (41)   | (798)   |
| Net cash outflow from operating activities   |             | <u>(3,293)</u>                                     | <u>(445)</u>                                      |
| <b>Cash flows from investing activities</b>  |             |  |   |
| Purchase of property, plant & equipment  |             | (14)   | (232)   |
| Proceeds from sale of fixed assets   |             | 169  | -   |
| Interest income  |             | 80   | 46  |
| Purchase of trading investment   |             | (172)  | (1,600)   |
| Proceeds from disposal of trading investments  |             | 11,712   | -   |
| Net cash from/(used in) investing activities   |             | <u>11,775</u>                                      | <u>(1,786)</u>                                    |
| <b>Cash flows from financing activities</b>  |             |  |   |
| Dividend paid  |             | (13,565)   | -   |
| Issuance of subordinated debt  |             | 1,850  | -   |
| Interest paid  |             | -  | (25)  |
| Net cash used in financing activities  |             | <u>(11,715)</u>                                    | <u>(25)</u>                                       |
| Net increase in cash and cash equivalents  |             | <u>(3,233)</u>                                     | <u>(2,256)</u>                                    |
| Effect of foreign exchange rate changes  |             | 29   | 17  |
| Net cash and cash equivalents at beginning of year                                     | 13          | 6,708  | 8,947   |
| Net cash and cash equivalents at end of year   | 13          | <u><u>3,504</u></u>                                | <u><u>6,708</u></u>                               |

The notes on pages 9 to 23 form part of these financial statements

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 1 PRINCIPAL ACCOUNTING POLICIES

#### a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU, the Companies Act 2006 and under the historical cost convention apart from held for trading investments which are accounted for at fair value through profit or loss

On the 31 May 2012 the majority of the employees of the company resigned to establish a new trading entity (Exotix Partners LLP). In light of this, the company has ceased trading in the United Kingdom and entered into undertakings to close its remaining business units as soon as Exotix Partners LLP receive the requisite regulatory permissions. Once this happens the company will become dormant but not seek dissolution pending the outcome of a pending legal action.

#### b) Income

Income comprises

##### (i) Commission and brokerage income derived from securities broking

Securities broking is mainly transacted on a matched principal basis. To represent the substance of matched principal services provided by the company, where it acts as principal for the simultaneous purchase and sale of securities to third parties, commission income represents the differential between the consideration received on the sale of the security and its purchase price.

For agency trades revenue is stated net of rebates and discounts, value added tax and other sales taxes.

Commission and brokerage income is recognised at trade-date.

##### (ii) Gains and losses arising from changes in fair value of investments held for trading

Realised and unrealised gains and losses are recognised as they arise.

#### c) Taxation

Tax on the profit/(loss) for the year comprises current tax, as well as adjustments in respect of prior periods. Tax is charged or credited to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantially enacted by the year end date.

#### d) Finance costs

All borrowing costs are expensed as finance costs in the statement of comprehensive income using the applicable effective interest rate. All other costs incurred in obtaining finance are included in finance costs.

#### e) Foreign currencies

Transactions denominated in foreign currencies are translated into the functional currency at the rates of exchange prevailing on the dates of the transactions. At each period end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the period end date. Exchange differences are taken to the statement of comprehensive income.

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### f) Property, plant and equipment

Property, plant and equipment is stated at historical cost less provision for any impairment in its value and accumulated depreciation. Property, plant and equipment is depreciated on a straight line basis over its expected useful economic life as follows:

|                                |                       |
|--------------------------------|-----------------------|
| Leasehold improvements         | The term of the lease |
| Computer software and hardware | 3 Years               |
| Fixtures and fittings          | 5 Years               |

The company reviews its depreciation rates regularly to take account of any changes in circumstances. These rates are determined upon consideration of factors such as the expected rate of technological development and anticipated usage levels. Depreciation is charged against assets from the date at which the company begins to derive economic benefit from the asset.

#### g) Matched principal transactions

The company is involved as principal in the purchase and simultaneous commitment to sell equities and securities between third parties. Such trades are complete only when both sides of the deal are settled, and so the company is exposed to risk in the event that one side of the transaction remains unmatched. Substantially all the transactions settle within a short period of time and the settlement risk is considered to be minimal. In order to reflect the substance of these transactions, the amounts due to and payable by counterparties in respect of matched principal business expected to settle in the normal course of trading are offset and the net amount is included in trade debtors. For information purposes, the gross amounts are disclosed in note 11. The majority of trades are settled by ICAP Securities Ltd, a former fellow subsidiary undertaking, which acts as clearing agent.

#### h) Trade receivables

Trade receivables are recognised at amortised cost less provision for impairment.

#### i) Derivative financial instruments

Financial assets and liabilities, whose value changes in response to changes in its underlying components and are settled at a future date are designated as derivative financial instruments. Derivatives are used by the company to mitigate financial risks, such as changes in foreign exchange and interest rate. Such instruments are initially recognised at cost or premium paid and subsequently carried at fair value determined by reference to a quoted market price. Gains and losses arising from changes in fair value are recognised in the statement of comprehensive income.

#### j) Investments

Investments are recognised at trade-date and are classified as held at fair value through the statement of comprehensive income if they were principally acquired for trading in the short term, otherwise they are classified as available-for-sale. Where investments are held for trading purposes, gains and losses arising from changes in fair value are included in the statement of comprehensive income. For other investments, gains and losses arising from changes in fair value are recognised directly in equity, until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the statement of comprehensive income.

The fair values of investments traded in active markets are based on quoted market prices at the period end date. For investments not traded in active markets (illiquid assets), quoted market prices or dealer quotes for similar instruments are used making provision for the discount that would be required to achieve a sale in the market in which a buyer might not readily be sourced.

#### k) Cash and cash equivalents

Cash equivalents includes all investments readily convertible to a known amount of cash and subject to an insignificant risk of changes in value when it has a maturity of three months or less from the date of acquisition.

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### l) Share capital

Ordinary shares are classified as equity. Dividends are recognised as deductions from retained earnings in the period in which they are declared.

#### m) Impairment of assets

An impairment review of the recoverable amounts of assets is undertaken at each period end date or when such events or changes in circumstances indicate that an impairment loss may have occurred.

#### n) Accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Due to the inherent uncertainty in making estimates, actual results reported in future periods may be based upon amounts which differ from those estimates. Estimates, judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. These estimates and significant judgments deemed critical to the company's results and financial position, based upon materiality are discussed below.

- i) Financial assets – for financial assets that are quoted in active markets, fair values are determined by reference to the current quoted price. Where independent prices (e.g. for unquoted items) are not available, fair values may be determined using valuation techniques with reference to observable market data. These may include comparison to similar instruments where market observable prices exist, discounted cashflow analysis and other valuation techniques.
- ii) Trade receivables – the company provides for impairment of trade receivables to estimate existing bad debts and amendments to sales invoices. The provision is estimated based on historic trends and future expectations.

#### o) Recent accounting developments

The following amendment is mandatory for the first time for the financial year beginning 1 April 2011 and is considered relevant to the company.

Revised IAS24 'Related party disclosures' issued in November 2009 supersedes IAS24 'Related party disclosures' issued in 2003. The adoption of this standard will not have a material impact on the company.

The following new standards and amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 April 2011 and have not been early adopted.

IFRS9 'Financial instruments' addresses classification and measurement of financial assets, as the first phase of the replacement of IAS39 'Financial Instruments – recognition and measurement' and is effective for annual periods beginning after 1 January 2015, subject to EU endorsement. The impact on the financial statements of the future adoption of the standard is still under review.

IFRS13 'Fair value measurement' replaces the guidance on fair value measurement in existing IFRS accounting literature with a single standard. The standard becomes effective for annual periods beginning on or after 1 January 2013.

The impact on the financial statements of adopting IFRS10, IFRS11, IFRS12, IFRS13 and IAS27 is currently under review. However the adoption of these standards is not expected to have a material impact.

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 2 FINANCIAL RISK MANAGEMENT

#### *Financial risk factors*

The company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk as explained below. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

The overall financial risk management framework, strategy and policies of the company are determined by the board.

#### a) *Market risk*

##### Foreign exchange risk

The company is exposed to both transactional and translational fluctuations in the value of financial instruments due to exchange rate movements.

Transactional exposure arises from brokerage and remittance of funds in currencies other than the company's functional currency (Sterling), principally United States Dollars. The company policy is to hedge down-side risk on such foreign exchange exposures using derivative financial instruments, such as options. Derivative transactions are only carried out with counterparties of an acceptable credit standing such as global banks with a credit rating of at least AA.

Translational exposure arises on the conversion of foreign currency denominated investments into Sterling. The company does not hedge its translational exposure but its impact is mitigated by the company's use of average exchange rates. In addition the impact on the statement of financial position is managed, where appropriate, by structural hedges.

It is estimated that, based on year-end exchange rates, a 20% devaluation of the United States Dollar, the Euro, and all other currencies would have impacts of £68,915 (2011 £332,167), £34,011 (2011 £42,042), and £46,805 (2011 £152,333) respectively on the company's profit or loss and equity.

The table below summarises the company's exposure to concentrations of foreign currencies as at 30 June 2012.

|                             | EUR<br>£'000 | USD<br>£'000 | GBP<br>£'000   | Other<br>£'000 | Total<br>£'000 |
|-----------------------------|--------------|--------------|----------------|----------------|----------------|
| <b>Assets</b>               |              |              |                |                |                |
| Cash and cash equivalents   | 10           | 31           | 3,447          | 16             | 3,504          |
| Trade and other receivables | 180          | 650          | 4,603          | 225            | 5,658          |
|                             | <u>190</u>   | <u>681</u>   | <u>8,050</u>   | <u>241</u>     | <u>9,162</u>   |
| <b>Liabilities</b>          |              |              |                |                |                |
| Trade and other payables    | (20)         | (336)        | (4,299)        | (7)            | (4,662)        |
|                             | <u>(20)</u>  | <u>(336)</u> | <u>(4,299)</u> | <u>(7)</u>     | <u>(4,662)</u> |
| <b>Net financial assets</b> | <u>170</u>   | <u>345</u>   | <u>3,751</u>   | <u>234</u>     | <u>4,500</u>   |

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 2 FINANCIAL RISK MANAGEMENT (CONTINUED)

The table below summarises the company's exposure to concentrations of foreign currencies as 31 March 2011

|                              | EUR<br>£'000 | USD<br>£'000 | GBP<br>£'000   | Other<br>£'000 | Total<br>£'000 |
|------------------------------|--------------|--------------|----------------|----------------|----------------|
| <b>Assets</b>                |              |              |                |                |                |
| Cash and cash equivalents    | 102          | 1,214        | 5,288          | 104            | 6,708          |
| Held for Trading Investments | -            | -            | 11,669         | -              | 11,669         |
| Trade and other receivables  | 150          | 830          | 862            | 812            | 2,654          |
|                              | <u>252</u>   | <u>2,044</u> | <u>17,819</u>  | <u>916</u>     | <u>21,031</u>  |
| <b>Liabilities</b>           |              |              |                |                |                |
| Trade and other payables     | -            | (51)         | (3,026)        | (2)            | (3,079)        |
|                              | <u>-</u>     | <u>(51)</u>  | <u>(3,026)</u> | <u>(2)</u>     | <u>(3,079)</u> |
| <b>Net financial assets</b>  | <u>252</u>   | <u>1,993</u> | <u>14,793</u>  | <u>914</u>     | <u>17,952</u>  |

#### Interest rate risk

The company's interest rate risk arises from cash and cash equivalents where changes in market rates can have an adverse impact on cash flows and income streams arising on the investment of surplus cash in bank deposits. The company estimates that an increase of 1% in interest rates would not have a material impact on the company's statement of comprehensive income and equity.

As at 30 June 2012 there were no instruments with a contracted maturity or re-pricing date in excess of 18 months (2011: none). The company's effective interest rate profile for the period ended 30 June 2012 was as follows:

|                             | <u>Period Ended 30 June 2012</u> |                       |                          | <u>Total</u> |
|-----------------------------|----------------------------------|-----------------------|--------------------------|--------------|
|                             | <u>None</u><br>£'000             | <u>Fixed</u><br>£'000 | <u>Variable</u><br>£'000 | <u>£'000</u> |
| <b>Assets</b>               |                                  |                       |                          |              |
| Cash and cash equivalents   | -                                | -                     | 3,504                    | 3,504        |
| Trade and other receivables | 5,658                            | -                     | -                        | 5,658        |
|                             | <u>5,658</u>                     | <u>-</u>              | <u>3,504</u>             | <u>9,162</u> |

As at 31 March 2011 the company's effective interest rate profile was as follows:

|                              | <u>None</u><br>£'000 | <u>Fixed</u><br>£'000 | <u>Variable</u><br>£'000 | <u>Total</u><br>£'000 |
|------------------------------|----------------------|-----------------------|--------------------------|-----------------------|
| <b>Assets</b>                |                      |                       |                          |                       |
| Cash and cash equivalents    | -                    | -                     | 6,708                    | 6,708                 |
| Held for trading investments | -                    | -                     | 11,669                   | 11,669                |
| Trade and other receivables  | 2,654                | -                     | -                        | 2,654                 |
|                              | <u>2,654</u>         | <u>-</u>              | <u>18,377</u>            | <u>21,031</u>         |

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 2 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### Price risk

The company accepts price risk on its investment in the Insparo Africa and Middle East Fund to achieve yield enhancement on the investment of surplus cash. Excepting this the company is only exposed to price risk when one or both counterparties in a matched principal transaction fail to fulfill their obligations, through trade mismatches or when positions are taken. Risk is restricted to short term price movements in the underlying stock held. This is discussed in more detail below in relation to credit risk.

Unmatched transactions are identified and monitored on a daily basis. The company has policies and procedures in place to reduce the likelihood of such situations but should they arise, the policy is to close out positions immediately or, with Senior Management approval, to carry them with an appropriate hedge in place.

Price risk in regards to positions is monitored and controlled by the setting of low cash limits and the use of hedging arrangements, such as swaps, where appropriate.

#### b) *Credit risk*

Credit risk arises from the potential that a counterparty is unable or unlikely to perform on an obligation resulting in a loss for the company. The company's exposure to credit risk is limited since it acts as an intermediary whereby business is transacted on an agency or matched principal basis. All counterparties are subject to regular review and assessment by regional credit officers and credit limits are set and approved by the appropriate credit committee.

The company has no significant concentrations of credit risk and the maximum exposure is limited to trade and other receivables (note 11).

#### c) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and ensuring the availability of funding through an adequate amount of committed credit. This is important to ensure that the company can meet all present and future financial obligations as they fall due and comply with regulatory requirements. The company dictates borrowing and investing limits based on an institutions credit rating and the nature of financial instruments that can be held.

Overall the company's exposure to liquidity risk is not significant. The outstanding liabilities as at 30 June 2012 are payable within 3 months.

#### d) *Fair value*

As at 30 June 2012 there were no significant differences between book values and fair values of financial assets and liabilities.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms length transaction. The fair values of financial instruments are determined as per the company's accounting policies.

#### e) *Capital Management*

Capital includes share capital and reserves held on the statement of financial position. During the year the company has complied with the capital requirements imposed by the Financial Services Authority by which it is regulated.

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 2 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### *Financial assets and liabilities*

The company's financial assets are analysed below

Classification of financial assets and liabilities as at 30 June 2012

|                              | <u>Financial<br/>assets at fair<br/>value<br/>through<br/>profit or loss</u><br>£'000 | <u>Loans and<br/>receivables</u><br>£'000 | <u>Total</u><br>£'000 |
|------------------------------|---|---|-----------------------|
| <b>Financial assets</b>      |   |   |                       |
| Cash and cash equivalents    | -   | 3,504                                     | 3,504                 |
| Trade receivables            | -   | 1,021                                     | 1,021                 |
| Other receivables            | -   | 4,637                                     | 4,637                 |
|                              | <u>-</u>  | <u>9,162</u>                              | <u>9,162</u>          |
| <b>Financial liabilities</b> |   |   |                       |
| Trade and other payables     | -   | 4,662                                     | 4,662                 |
|                              | <u>-</u>  | <u>4,662</u>                              | <u>4,662</u>          |

Classification of financial assets and liabilities as at 31 March 2011

|                              | <u>Financial<br/>assets at fair<br/>value<br/>through<br/>profit or loss</u><br>£'000 | <u>Loans and<br/>receivables</u><br>£'000 | <u>Total</u><br>£'000 |
|------------------------------|---|---|-----------------------|
| <b>Financial assets</b>      |   |   |                       |
| Held for trading investments | 11,669  | -   | 11,669                |
| Cash and cash equivalents    | -   | 6,708                                     | 6,708                 |
| Trade receivables            | -   | 1,442                                     | 1,442                 |
| Other receivables            | -   | 1,212                                     | 1,212                 |
|                              | <u>11,669</u>   | <u>9,362</u>                              | <u>21,031</u>         |
| <b>Financial liabilities</b> |   |   |                       |
| Trade and other payables     | -   | (3,079)                                   | (3,079)               |
|                              | <u>-</u>  | <u>(3,079)</u>                            | <u>(3,079)</u>        |

In accordance with IFRS 7 'Financial Instruments Disclosures', for financial instruments that are measured in the statement of financial position at fair value, disclosure is provided of fair value measurements by level of the following fair value measurement hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quote prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

As at 31 March 2011, the fair value of held-for-trading investments was measured at Level 2 The company owned no held for trading investments at 30 June 2012



# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 3 ADMINISTRATIVE EXPENSES

Included within administrative expenses is management charge income of £272,649 (2011 £51,065) charged to fellow subsidiary undertakings of which £Nil (2011 £Nil) was outstanding at the period end

Also included in administrative expenses are foreign exchange losses, other than those arising on financial instruments measures at fair value through profit and loss, of £29,117 (2011 £17,604)

The company's administrative expenses also include lease payments during the period of £474,576 (2011 £412,636)

### 4 AUDITORS REMUNERATION

During the year the company obtained the following services from the company's auditor and associates and paid the following amounts

|   | <u>Period<br/>ended</u><br><u>30 June 2012</u><br>£'000 | <u>Year<br/>ended</u><br><u>31 March 2011</u><br>£'000 |
|---|---|--|
| Auditors' remuneration for audit services     | 10  | 15   |
| Auditors' remuneration for non-audit services |   |  |
| - tax services                                | 25  | 37   |
| - payroll services                            | 8   | 10   |
| - other services                              | 1   | -  |
| Total non-audit fees                          | <u>34</u>   | <u>47</u>  |

### 5 WAGES AND SALARIES

|                       | <u>Period<br/>ended</u><br><u>30 June 2012</u><br>£'000 | <u>Year<br/>ended</u><br><u>31 March 2011</u><br>£'000 |
|-----------------------|---|--|
| Employee costs        |   |  |
| Wages and salaries    | 6,336   | 7,452  |
| Social security costs | 669   | 749  |
| Other pension costs   | 244   | 132  |
|                       | <u>7,249</u>  | <u>8,333</u>   |

The number of persons employed by the company at the period end was 7 compared with an average number of people employed during the period of 46 (2011 53)

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 6 DIRECTORS' REMUNERATION

D Gelber received no emoluments for his services to the company

Remuneration payable to the other directors in respect of their services to the company was as follows

|   | <u>Period ended</u><br><u>30 June 2012</u> |                       | <u>Year ended</u><br><u>31 March 2011</u> |                       |
|---|--|-----------------------|---|-----------------------|
|   | Total                                      | Highest paid director | Total                                     | Highest paid director |
|   | £'000                                      | £'000                 | £'000                                     | £'000                 |
| Aggregate emoluments                                  | 1,050                                      | 558                   | 1,043                                     | 567                   |
| Contributions to defined contribution pension schemes | 15   | 9                     | 13  | 8                     |
|   | <u>1,065</u>                               | <u>567</u>            | <u>1,056</u>                              | <u>575</u>            |

As at 30 June 2012, retirement benefits are accruing to 2 directors (2011 2 directors) under defined contribution schemes

### 7 FINANCE INCOME

|               | <u>Period ended</u><br><u>30 June 2012</u><br>£'000 | <u>Year ended</u><br><u>31 March 2011</u><br>£'000 |
|---------------|---|--|
| Bank deposits | <u>80</u>   | <u>46</u>  |

### 8 FINANCE COSTS

|           | <u>Period ended</u><br><u>30 June 2012</u><br>£'000 | <u>Year ended</u><br><u>31 March 2011</u><br>£'000 |
|-----------|---|--|
| Break Fee | <u>-</u>  | <u>25</u>  |

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 9 TAXATION

|   | <u>Period<br/>ended<br/>30 June 2012</u><br>£'000 | <u>Year<br/>ended<br/>31 March 2011</u><br>£'000 |
|---|---|--|
| a) Analysis of charge for the year  |   |  |
| Current taxation  |   |  |
| UK corporation tax  | 10  | 288  |
| Adjustments to prior periods  | (42)  | (23)   |
|   | <u>(32)</u>                                       | <u>265</u>                                       |
| b) Factors affecting the taxation charge for the year   |   |  |
| (Loss)/profit before taxation   | (342)   | 544  |
|   | <u>          </u>                                 | <u>          </u>                                |
| Profit before taxation multiplied by standard rate of corporation tax in the UK of 26% (2011 28%) | (88)  | 152  |
| Effects of  |   |  |
| Expenses not deductible for tax purposes (primarily client entertainment)                         | 32  | 123  |
| Depreciation for the period in excess of capital allowances                                       | 25  | 3  |
| Tax adjustments and other differences   | 41  | 10   |
| Adjustment to prior periods   | (42)  | (23)   |
|   | <u>56</u>   | <u>113</u>                                       |
| Tax charge for year   | <u>(32)</u>                                       | <u>265</u>                                       |
| Effective tax rate  |   | 48.7%  |
| c) Unprovided deferred taxation   |   |  |
| No deferred tax asset has been recognised in respect of the following                             |   |  |
| Fixed asset timing differences  | 81  | 30   |
| Other temporary differences   | -   | 55   |
|   | <u>          </u>                                 | <u>          </u>                                |

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 10 PROPERTY, PLANT AND EQUIPMENT

|                       | <u>Computer<br/>software and<br/>hardware</u><br>£'000 | <u>Fixtures<br/>and Fittings</u><br>£'000 | <u>Leasehold<br/>Improvements</u><br>£'000 | <u>Total</u><br>£'000 |
|-----------------------|--|---|--|-----------------------|
| <b>Cost</b>           |  |   |  |                       |
| As at 1 April 2011    | 642  | 187                                       | 220  | 1,049                 |
| Additions             | 12   | 2   | -  | 14                    |
| Disposals             | (598)  | (157)                                     | (159)                                      | (914)                 |
| As at 30 June 2012    | <u>56</u>  | <u>32</u>                                 | <u>61</u>                                  | <u>149</u>            |
| <b>Depreciation</b>   |  |   |  |                       |
| As at 1 April 2011    | 435  | 79  | 52   | 566                   |
| Charge for the year   | 138  | 44  | 53   | 235                   |
| Disposals             | (552)  | (111)                                     | (82)                                       | (745)                 |
| As at 30 June 2012    | <u>21</u>  | <u>12</u>                                 | <u>23</u>                                  | <u>56</u>             |
| <b>Net book value</b> |  |   |  |                       |
| As at 30 June 2012    | <u>35</u>  | <u>20</u>                                 | <u>38</u>                                  | <u>93</u>             |
| As at 31 March 2011   | <u>207</u>   | <u>108</u>                                | <u>168</u>                                 | <u>483</u>            |

|                       | <u>Computer<br/>software and<br/>hardware</u><br>£'000 | <u>Fixtures<br/>and Fittings</u><br>£'000 | <u>Leasehold<br/>Improvements</u><br>£'000 | <u>Total</u><br>£'000 |
|-----------------------|--|---|--|-----------------------|
| <b>Cost</b>           |  |   |  |                       |
| As at 1 April 2010    | 507  | 151                                       | 159  | 817                   |
| Additions             | 135  | 36  | 61   | 232                   |
| As at 1 April 2011    | <u>642</u>   | <u>187</u>                                | <u>220</u>                                 | <u>1,049</u>          |
| <b>Depreciation</b>   |  |   |  |                       |
| As at 1 April 2010    | 248  | 46  | 11   | 305                   |
| Charge for the year   | 187  | 33  | 41   | 261                   |
| As at 1 April 2011    | <u>435</u>   | <u>79</u>                                 | <u>52</u>                                  | <u>566</u>            |
| <b>Net book value</b> |  |   |  |                       |
| As at 1 April 2011    | <u>207</u>   | <u>108</u>                                | <u>168</u>                                 | <u>483</u>            |
| As at 31 March 2010   | <u>259</u>   | <u>105</u>                                | <u>148</u>                                 | <u>512</u>            |

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 11 TRADE AND OTHER RECEIVABLES

|   | <u>As at</u><br><u>30 June 2012</u><br>£'000 | <u>As at</u><br><u>31 March 2011</u><br>£'000 |
|---|--|---|
| Trade receivables                             | 1,021  | 1,442   |
| Amounts due by related undertakings (note 16) | 3,807  | -   |
| Other Debtors                                 | 298  | 528   |
| Prepayments and accrued income                | 532  | 684   |
|   | <u>5,658</u>                                 | <u>2,654</u>                                  |

The company is involved as principal in the purchase and simultaneous commitment to sell securities between third parties on behalf of its appointed representative Exotix Partners LLP. As at 30 June 2012 the gross amount of the sale commitments in respect of such outstanding transactions was £54.6m (2011 £24.9m).

The majority of net trade receivables which are neither impaired nor past their normal settlement dates are held with high quality credit institutions. No trade receivables are identified as impaired.

As at 30 June 2011 the following trade receivables were past their normal settlement date, but had not been impaired:

|                                     | <u>As at</u><br><u>30 June 2012</u><br>£'000 | <u>As at</u><br><u>31 March 2011</u><br>£'000 |
|-------------------------------------|--|---|
| Less than 30 days                   | 206  | 407   |
| Over 30 days, but less than 90 days | 162  | 45  |
| Over 90 days                        | 57   | 62  |
|                                     | <u>425</u>                                   | <u>514</u>                                    |

Post year-end the company instigated legal proceedings to recover £60,000 advanced to a former employee of the company. The directors expect full recovery of the balance and no provision has been made for impairment.

Amounts due from related undertakings of £3,806,638 relates to an advance made to Exotix Investment Partners LLP, an investment vehicle the partners of which are also shareholders in the ultimate parent undertaking of the company. The loan is interest free and repayable in two equal instalments in August and November 2012. Post year-end the company received the first repayment on the balance and continues to hold acceptable collateral against the outstanding balance.

### 12 HELD-FOR-TRADING INVESTMENTS

|                                | <u>As at</u><br><u>30 June 2012</u><br>£'000 | <u>As at</u><br><u>31 March 2011</u><br>£'000 |
|--------------------------------|--|---|
| Unlisted securities            |  |   |
| At beginning of year           | 11,669                                       | 9,477   |
| Additions                      | 172  | 1,600   |
| Disposals                      | (11,712)                                     | -   |
| Unrealised gain on revaluation | -  | 592   |
| Realised loss on disposal      | (129)  | -   |
|                                | <u>-</u>                                     | <u>11,669</u>                                 |

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 13 CASH AND CASH EQUIVALENTS

|                          | <u>As at</u><br><u>30 June 2012</u><br>£'000 | <u>As at</u><br><u>31 March 2011</u><br>£'000 |
|--------------------------|--|---|
| Cash at bank and in hand | 1,654  | 4,858   |
| Short-term bank deposits | 1,850  | 1,850   |
|                          | <u>3,504</u>                                 | <u>6,708</u>                                  |

The effective interest rates are disclosed in note 2. The short term deposits have a maturity of less than 30 days.

At the period-end, £1.85m (2011: £1.85m) was held in a deposit account over which the clearing agent of the business (ICAP Securities Limited, a former fellow subsidiary undertaking of the company) have right of access should they suffer loss as a result of acting as clearing agent pursuant to the Guarantee disclosed in Note 17.

### 14 TRADE AND OTHER PAYABLES

|  | <u>As at</u><br><u>30 June 2012</u><br>£'000 | <u>As at</u><br><u>31 March 2011</u><br>£'000 |
|--|--|---|
| Other trade payables                         | 734  | 535   |
| Amounts owed to group undertakings (note 16) | 1,831  | 722   |
| Other taxation and social security           | -  | 233   |
| Accruals                                     | 247  | 1,589   |
|  | <u>2,812</u>                                 | <u>3,079</u>                                  |

### 15 CALLED UP SHARE CAPITAL

|   | <u>As at</u><br><u>30 June 2012</u><br>£'000 | <u>As at</u><br><u>31 March 2011</u><br>£'000 |
|---|--|---|
| Authorised, allotted and fully paid<br>1,000,000 Ordinary shares of £1 each | <u>1,000</u>                                 | <u>1,000</u>                                  |

### 16 RELATED PARTY TRANSACTIONS

#### Control

The company is controlled by its parent company, Exotix Holdings Limited (incorporated in United Kingdom), which owns 100% of the Company's shares.

#### Material Transactions

On 31 May 2012 the company entered into agreements with Exotix Partners LLP under which Exotix Partners LLP would acquire the business of the company once regulatory permissions had been received. In the interim Exotix Partners LLP conducts its business as an appointed representative of the company.

On the same day the company also sold its available for sale investment in the Insparo Africa and Middle East Fund (the "Fund") to Exotix Investment Partners LLP, an entity under common control but not within the same group. This transaction was effected on arms-length terms based on the latest available information available from the administrator of the Fund.

The company has also entered into a number of financing arrangements related to these transactions the net effect of which are that the company advanced £3,806,638 to Exotix Investment Partners LLP and received funding of £3,540,333 from Exotix Partners LLP as more fully described below.

# EXOTIX LIMITED

## Notes to the financial statements for the period ended 30 June 2012

### 16 RELATED PARTY TRANSACTIONS (Continued)

#### Intra-group indebtedness

|  | <u>As at</u><br><u>30 June 2012</u> | <u>As at</u><br><u>31 March 2011</u> |
|--|-------------------------------------|--------------------------------------|
|  | £'000                               | £'000                                |
| <b>Repayable within one year:</b>                            |                                     |                                      |
| Parent undertaking   | 90                                  | 672                                  |
| Fellow subsidiary undertakings                               | 1,741                               | 50                                   |
|  | <u>1,831</u>                        | <u>722</u>                           |
| <b>Subordinated debt repayable after more than one year:</b> |                                     |                                      |
| Fellow subsidiary undertakings                               | <u>1,850</u>                        | <u>-</u>                             |

#### Subordinated debt

During the year the company issued, to Exotix Partners LLP, £1,850,000 of subordinated debt that has a maturity of 1 June 2018 and carries an annual interest rate of 4% a year above the Bank of England base rate. The debt has been subordinated to the prior repayment of all other loans, obligations or guarantees of the company and to the claims of all other creditors of the company without the right of set-off.

#### Collateral

Of the sum repayable within one year, £1,690,333 of the balance owed to fellow subsidiary undertakings has been provided as collateral against the assumption of risk by the company in acting as the principal of its appointed representative Exotix Partners LLP.

#### Management fee income

During the period the company received management fee income of £272,649 (2011: £107,323) from the following fellow subsidiary undertakings:

- Exotix Investments Limited, £33,391 (2011: £51,065) for the provision of investment advice,
- Exotix (2) Limited, £14,258 (2011: £Nil) for the provision of investment advice, and
- Exotix Partners LLP £225,000 (2011: £Nil) for the provision of serviced offices

#### Remuneration of key personnel

There are no key management personnel other than the directors of the company. Directors' remuneration is disclosed in note 6.

### 17 GUARANTEES

As part of a clearing arrangement between Exotix Limited and ICAP Securities Limited a former fellow subsidiary undertaking, the company granted an indemnity to ICAP Securities Limited for any loss incurred as a result of it acting as a clearing agent to the company.

### 18 COMMITMENTS UNDER OPERATING LEASES

At the period-end date, the company had outstanding commitments for future minimum lease payments and other costs under non-cancellable operating leases, which fall due as follows:

|                      | <u>30 June 2012</u> | <u>31 March 2011</u> |
|----------------------|---------------------|----------------------|
|                      | £'000               | £'000                |
| Within one year      | 374                 | 340                  |
| In two to five years | 418                 | 741                  |
|                      | <u>792</u>          | <u>1,081</u>         |

## EXOTIX LIMITED

### Notes to the financial statements for the period ended 30 June 2012

#### 19 POST BALANCE SHEET EVENTS

Post year end the company made a joint application (together with Exotix Partners LLP) to transfer regulatory permission granted to the company by the financial services authorities of the United Kingdom and Dubai to Exotix Partners LLP and for the LLP to become a successor entity for regulatory purposes

#### 20 CLIENT MONEY

|                        | <u>As at 30 June 2012</u> | <u>As at 31 March 2011</u> |
|------------------------|---------------------------|----------------------------|
|                        | £'000                     | £'000                      |
| Amounts due to clients | <u>208</u>                | <u>173</u>                 |

These amounts are held on behalf of clients and are not held on the company's balance sheet

#### 21 LEGAL PROCEEDINGS

As explained in detail in the Directors' Report, the Company was been named in the period as a co-defendant in a complaint relating to a transaction conducted in May 2002 in which the New York desk of Intercapital Securities LLC, a former subsidiary undertaking of ICAP Plc (itself, the former parent undertaking of the Company until 2007) allegedly failed to honour their contractual obligations. Neither the Company, nor any of its affiliates, are successor entities to the New York desk of Intercapital Securities LLC (which has been dissolved) and the directors believe, after consultation with legal counsel, that the resolution of this matter will not have a material effect on the financial condition of the Company