
MARS ASSET MANAGEMENT LIMITED

Directors' report and financial statements

for the year ended 30 April 2013



MARS ASSET MANAGEMENT LIMITED

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MARS ASSET MANAGEMENT LIMITED

Company Information

DIRECTORS	Donald Macpherson James Barstow James Ekins
COMPANY SECRETARY	Cavendish Administration Limited
COMPANY NUMBER	3070476
REGISTERED OFFICE	145-157 St John Street London EC1V 4RU
AUDITORS	Grant Thornton UK LLP Chartered Accountants and Registered Auditors 30 Finsbury Square London EC2P 2YU
BANKERS	HSBC Bank Plc 69 Pall Mall London SW1Y 5EY

MARS ASSET MANAGEMENT LIMITED

Directors' report for the year ended 30 April 2013

The directors present their report with the financial statements of the company for the year ended 30 April 2013

RESULTS AND DIVIDENDS

The results for the year are set out on page 7 of the financial statements

No interim ordinary dividend was paid during the year (2012 £Nil) The directors do not recommend the payment of a final ordinary dividend (2012 £Nil)

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was and continues to be that of investment managers and advisers

KEY PERFORMANCE INDICATOR (KPI)

The directors consider the level of assets under management to be the Company's primary KPI The company's objective is to increase that level Such growth may derive from organic growth of funds already under management or by adding to the number of funds managed At 30 April 2013, the level of assets under management was £21 907 million compared to £28 944 million as at 30 April 2012 The KPI was not achieved on this occasion

PRINCIPAL RISKS

The directors consider the principal risk faced by the company to be the loss of assets under management Other risks are considered to be of an ordinary commercial nature and at a relatively low level The company is debt-free and has few external creditors Provided assets under management are maintained, liquidity risks and credit risks are small

Subject to the above comments

- 1) The directors expect the level of activity sustained during the year to continue for the foreseeable future
- 2) The directors are disappointed with the results for the year and are taking steps to improve performance They are satisfied with the state of affairs of the company at the balance sheet date

DIRECTORS

The directors who served during the year were

Donald Macpherson
James Barstow
James Ekins

PILLAR 3

The company's statement of Disclosures (Pillar 3) for the purposes of chapter 11 of the Prudential sourcebook for Banks, Building Societies and Investment Firms of the FCA Handbook may be obtained from the Company Secretary, Mars Asset Management Limited, 145-157 St John Street, London, EC1V 4RU

The company maintains a policy of insurance against the liabilities of directors and officers

MARS ASSET MANAGEMENT LIMITED

**Directors' report
for the year ended 30 April 2013**

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

AUDITORS

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

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



J. L. LETCHFORD

Cavendish Administration Limited
Secretary

Date 13 August 2013

MARS ASSET MANAGEMENT LIMITED

Directors' responsibilities statement for the year ended 30 April 2013

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MARS ASSET MANAGEMENT LIMITED

Independent auditors' report to the shareholders of Mars Asset Management Limited

We have audited the financial statements of Mars Asset Management Limited for the year ended 30 April 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 Standard (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 Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (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 Auditing Practices Board's website at 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 April 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 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

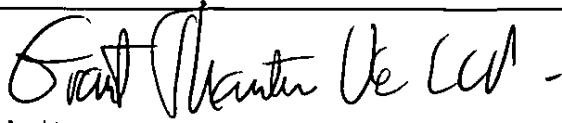
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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.

MARS ASSET MANAGEMENT LIMITED

Independent auditors' report to the shareholders of Mars Asset Management Limited

Marcus Swales
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP

A handwritten signature in black ink, appearing to read 'Grant Thornton UK LLP'.

Statutory Auditor, Chartered Accountants
London

13 August 2013

MARS ASSET MANAGEMENT LIMITED

**Profit and loss account
for the year ended 30 April 2013**

	Note	2013 £	2012 £
TURNOVER	1	198,015	244,625
Administrative expenses		(82,820)	(86,133)
Staff costs		(159,254)	(130,641)
Depreciation		(116)	-
		<hr/>	<hr/>
OPERATING (LOSS)/PROFIT	2	(44,175)	27,851
Profit on disposal of investments		15,250	-
Interest receivable and similar income	6	3,321	7,625
Amounts written off on investments		(57,310)	(47,271)
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(82,914)	(11,795)
Tax on loss on ordinary activities	7	(6,661)	(4,297)
		<hr/>	<hr/>
LOSS FOR THE FINANCIAL YEAR	14	(89,575)	(16,092)
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account

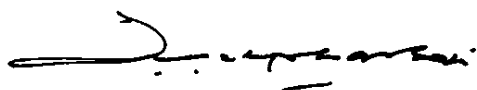
The notes on pages 10 to 17 form part of these financial statements

MARS ASSET MANAGEMENT LIMITED
Registered number 3070476

**Balance sheet
as at 30 April 2013**

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	8		116		-
Investments	9		206,319		369,129
			<u>206,435</u>		<u>369,129</u>
CURRENT ASSETS					
Debtors	10	87,156		37,470	
Cash at bank		226,132		161,234	
		<u>313,288</u>		<u>198,704</u>	
CREDITORS amounts falling due within one year	11	(70,464)		(34,199)	
NET CURRENT ASSETS			<u>242,824</u>		<u>164,505</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>449,259</u>		<u>533,634</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	12		(5,200)		-
NET ASSETS			<u>444,059</u>		<u>533,634</u>
CAPITAL AND RESERVES					
Called up share capital	13		65,000		65,000
Capital redemption reserve	14		40,000		40,000
Profit and loss account	14		339,059		428,634
SHAREHOLDERS' FUNDS	15		<u>444,059</u>		<u>533,634</u>

The financial statements of Mars Asset Management Limited were approved by the board of directors and authorised for issue by the board and were signed on its behalf by



Donald Macpherson
Director

Date 13 August 2013

The notes on pages 10 to 17 form part of these financial statements

MARS ASSET MANAGEMENT LIMITED

**Cash flow statement
for the year ended 30 April 2013**

	Note	2013 £	2012 £
Net cash flow from operating activities	16	(50,737)	39,828
Returns on investments and servicing of finance	17	3,321	7,625
Taxation		(8,204)	(21,274)
Capital expenditure and financial investment	17	120,518	(54,937)
INCREASE/(DECREASE) IN CASH IN THE YEAR		64,898	(28,758)

**Reconciliation of net cash flow to movement in net funds/debt
for the year ended 30 April 2013**

	2013 £	2012 £
Increase/(Decrease) in cash in the year	64,898	(28,758)
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	64,898	(28,758)
Other non-cash changes	-	(2)
MOVEMENT IN NET DEBT IN THE YEAR	64,898	(28,760)
Net funds at 1 May 2012	161,234	189,994
NET FUNDS AT 30 APRIL 2013	226,132	161,234

The notes on pages 10 to 17 form part of these financial statements

MARS ASSET MANAGEMENT LIMITED

Notes to the financial statements for the year ended 30 April 2013

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK Accounting Standards

1.2 Going concern

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within its existing resources

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Office equipment	- 50 per cent
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1.4 Investments

Investments held as fixed assets are stated at the lower of cost (including commission, fees, and charges) and market value

1.5 Pensions

Provisions for an employee's personal pension plan are expensed as incurred

1.6 Deferred taxation

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by Financial reporting Standard 19

1.7 Turnover

Turnover is invoiced investment management fees exclusive of value added tax

1.8 Operating leases

Rent is recognised on a straight line basis

MARS ASSET MANAGEMENT LIMITED

Notes to the financial statements for the year ended 30 April 2013

2 OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	116	-
Operating lease rentals		
- other operating leases	17,500	17,500
	<u>17,500</u>	<u>17,500</u>

3 AUDITORS' REMUNERATION

	2013 £	2012 £
Fees payable to the company's auditor for the audit of the company's annual accounts	8,000	7,948
Taxation compliance services	3,000	3,000
All other non-audit services not included above	550	-
	<u>11,550</u>	<u>13,948</u>

4 STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	120,769	118,083
Social security costs	12,485	12,558
Other pension costs	26,000	-
	<u>159,254</u>	<u>130,641</u>

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

	2013 No	2012 No
	2	3
	<u>2</u>	<u>3</u>

5 DIRECTORS' REMUNERATION

	2013 £	2012 £
Emoluments	103,215	102,333
	<u>103,215</u>	<u>102,333</u>

The highest paid director received remuneration of £75,000 (2012 - £75,000)

MARS ASSET MANAGEMENT LIMITED

**Notes to the financial statements
for the year ended 30 April 2013**

6 INTEREST RECEIVABLE

	2013 £	2012 £
Other interest receivable	3,321	7,625

7 TAXATION

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on loss for the year	1,069	4,297
Adjustments in respect of prior periods	392	-
Total current tax	1,461	4,297
Deferred tax (see note 12)		
Origination and reversal of timing differences	5,200	-
Tax on loss on ordinary activities	6,661	4,297

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - *higher than*) the standard rate of corporation tax in the UK of 20% (2012 - 20%) The differences are explained below

	2013 £	2012 £
Loss on ordinary activities before tax	(82,914)	(11,795)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 20%)	(16,640)	(2,359)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	539	509
Adjustments to tax charge in respect of prior periods	392	(3,907)
Increase or (decrease) in pension fund prepayment leading to an increase (decrease) in tax	5,200	-
Book profit on chargeable assets	11,970	10,054
Current tax charge for the year (see note above)	1,461	4,297

Factors that may affect future tax charges

MARS ASSET MANAGEMENT LIMITED

**Notes to the financial statements
for the year ended 30 April 2013**

8. TANGIBLE FIXED ASSETS

	Office equipment £
Cost	
At 1 May 2012	-
Additions	232
At 30 April 2013	232
Depreciation	
At 1 May 2012	-
Charge for the year	116
At 30 April 2013	116
Net book value	
At 30 April 2013	116
At 30 April 2012	-

9. FIXED ASSET INVESTMENTS

	Listed investments £	Fixed Interest investments £	Total £
Cost or valuation			
At 1 May 2012	424,018	108,039	532,057
Disposals	-	(108,039)	(108,039)
At 30 April 2013	424,018	-	424,018
Impairment			
At 1 May 2012	160,389	2,539	162,928
Charge for the year	57,310	-	57,310
Impairment on disposals	-	(2,539)	(2,539)
At 30 April 2013	217,699	-	217,699
Net book value			
At 30 April 2013	206,319	-	206,319
At 30 April 2012	263,629	105,500	369,129

Listed investments

The market value of the listed investments at 30 April 2013 was £254,284 (2012 - £433,021)

MARS ASSET MANAGEMENT LIMITED

**Notes to the financial statements
for the year ended 30 April 2013**

10 DEBTORS

	2013 £	2012 £
Trade debtors	13,993	6,000
Other debtors	50,000	-
Prepayments and accrued income	23,163	31,470
	<u>87,156</u>	<u>37,470</u>

The company has capital losses of £109,443 (2012 £109,443) that are available to offset future taxable capital gains. A deferred tax asset has not been recognised in respect of these capital losses since they are recoverable only to the extent that the Company has sufficient future taxable capital gains.

11 CREDITORS
Amounts falling due within one year

	2013 £	2012 £
Trade creditors	10,258	2,000
Corporation tax	1,461	8,204
Social security and other taxes	11,610	9,562
Other creditors	5,288	-
Accruals and deferred income	41,847	14,433
	<u>70,464</u>	<u>34,199</u>

12 DEFERRED TAXATION

	2013 £	2012 £
At beginning of year	-	-
Charge for year	5,200	-
	<u>5,200</u>	<u>-</u>
At end of year	5,200	-

The provision for deferred taxation is made up as follows

	2013 £	2012 £
Tax losses carried forward	5,200	-

MARS ASSET MANAGEMENT LIMITED

**Notes to the financial statements
for the year ended 30 April 2013**

13 SHARE CAPITAL

	2013 £	2012 £
Authorised		
100,000 ordinary shares of £1 each	100,000	100,000
50,000 8% non cumulative preference shares of £1 each	50,000	50,000
	<u>150,000</u>	<u>150,000</u>
Allotted, called up and fully paid		
65,000 ordinary shares of £1 each	<u>65,000</u>	<u>65,000</u>

14 RESERVES

	Capital redempt'n reserve £	Profit and loss account £
At 1 May 2012	40,000	428,634
Loss for the year		(89,575)
	<u>40,000</u>	<u>339,059</u>
At 30 April 2013		

15 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Opening shareholders' funds	533,634	549,726
Loss for the year	(89,575)	(16,092)
	<u>444,059</u>	<u>533,634</u>
Closing shareholders' funds		

16 NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating (loss)/profit	(44,175)	27,851
Depreciation of tangible fixed assets	116	-
(Increase)/decrease in debtors	(49,686)	9,312
Increase in creditors	43,008	2,665
	<u>(50,737)</u>	<u>39,828</u>
Net cash (outflow)/inflow from operating activities		

MARS ASSET MANAGEMENT LIMITED

**Notes to the financial statements
for the year ended 30 April 2013**

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	3,321	7,625
	<u>2013</u> £	<u>2012</u> £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(232)	-
Purchase of listed investments	-	(54,937)
Sale of listed investments	15,250	-
Sale of unlisted and other investments	105,500	-
Net cash inflow/(outflow) from capital expenditure	<u>120,518</u>	<u>(54,937)</u>

18 ANALYSIS OF CHANGES IN NET DEBT

	1 May 2012 £	Cash flow £	Other non-cash changes £	30 April 2013 £
Cash at bank and in hand	161,234	64,898	-	226,132
Net funds	<u>161,234</u>	<u>64,898</u>	<u>-</u>	<u>226,132</u>

19 PENSION COMMITMENTS

A payment into the pension plan of a former employee of £26,000 (2012 £Nil) was provided for in the period

20 OPERATING LEASE COMMITMENTS

At 30 April 2013 the company had £Nil (2012 £Nil) annual commitments under non-cancellable operating leases

21 RELATED PARTY TRANSACTIONS

Mr M J Barstow is a director of Aurora Investment Trust plc, which is the only (2012 one) client of the Company. The Company's turnover is principally attributable to Aurora Investment Trust plc amounting to £178,015 (2012 £224,624). The amount of debtors attributable to Aurora at year end totals £13,993 (2012 £18,090).

MARS ASSET MANAGEMENT LIMITED

**Notes to the financial statements
for the year ended 30 April 2013**

22 CONTROLLING PARTY

The ultimate controlling party is M J Barstow by virtue of the fact that he owns 100% of the shares of the Company