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REGISTERED NUMBER. 05108142 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 31 December 2012
for
Alpha Forex Limited**



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for the Year Ended 31 December 2012**

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Alpha Forex Limited

**Company Information
for the Year Ended 31 December 2012**

DIRECTORS:	M J Tillbrook M Tillbrook L J Halfnight K Hickey J C Currie
SECRETARY	D Shah
REGISTERED OFFICE:	47/50 Peascod Street Windsor Berkshire SL4 1DE
REGISTERED NUMBER:	05108142 (England and Wales)
AUDITORS:	Grunberg & Co Limited Chartered Accountants & Registered Auditors 10/14 Accommodation Road Golders Green London NW11 8ED
BANKERS:	Lloyds Bank plc
WEBSITE.	www.alphafx.co.uk
TELEPHONE NUMBER	01753 569400

Alpha Forex Limited (Registered number: 05108142)

**Report of the Directors
for the Year Ended 31 December 2012**

The directors present their report with the financial statements of the company for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of commercial and wholesale foreign exchange services

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report

M J Tillbrook
M Tillbrook
L J Halfnight
K Hickey

Other changes in directors holding office are as follows

J C Currie - appointed 29 February 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent,
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director 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 auditors are aware of that information.

AUDITORS

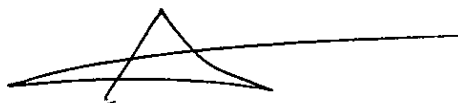
The auditors, Grunberg & Co Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Alpha Forex Limited (Registered number: 05108142)

**Report of the Directors
for the Year Ended 31 December 2012**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

M J Tillbrook - Director

6 February 2013

Report of the Independent Auditors to the Members of Alpha Forex Limited

We have audited the financial statements of Alpha Forex Limited for the year ended 31 December 2012 on pages six to eleven. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Alpha Forex Limited**

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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors

David Grunberg BA FCA (Senior Statutory Auditor)
for and on behalf of Grunberg & Co Limited
Chartered Accountants & Registered Auditors
10/14 Accommodation Road
Golders Green
London
NW11 8ED

7 February 2013

Alpha Forex Limited (Registered number: 05108142)

**Profit and Loss Account
for the Year Ended 31 December 2012**

	Notes	2012 £	2011 £
TURNOVER		182,048,383	120,445,612
Cost of sales		181,163,185	119,965,181
GROSS PROFIT		885,198	480,431
Administrative expenses		430,845	348,086
OPERATING PROFIT	2	454,353	132,345
Interest payable and similar charges		1,360	3,200
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		452,993	129,145
Tax on profit on ordinary activities	3	98,990	23,992
PROFIT FOR THE FINANCIAL YEAR		354,003	105,153

The notes form part of these financial statements

Alpha Forex Limited (Registered number: 05108142)

**Balance Sheet
31 December 2012**

	Notes	2012 £	2011 £
FIXED ASSETS			
Tangible assets	5	32,421	36,724
CURRENT ASSETS			
Debtors	6	384,582	271,134
Cash at bank and in hand		1,533,837	1,042,509
		<u>1,918,419</u>	<u>1,313,643</u>
CREDITORS			
Amounts falling due within one year	7	997,911	794,656
NET CURRENT ASSETS		<u>920,508</u>	<u>518,987</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>952,929</u>	<u>555,711</u>
CREDITORS			
Amounts falling due after more than one year	8	160,000	-
NET ASSETS		<u><u>792,929</u></u>	<u><u>555,711</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	500,000	500,000
Profit and loss account	12	292,929	55,711
SHAREHOLDERS' FUNDS		<u><u>792,929</u></u>	<u><u>555,711</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 6 February 2013 and were signed on its behalf by

M J Tillbrook - Director



J C Currie - Director



The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover represents the gross value of currency transactions undertaken by the company's commercial foreign currency dealing business. Purchases of currency relating to the above transactions are treated as cost of sales. Turnover is recognised after receiving the client's authorisation to undertake a foreign currency transaction for immediate or forward delivery.

Where the company enters into contracts for forward delivery with its clients, the company also enters into separate matched forward contracts with its bankers.

Wherever contracts for forward delivery are open at the year end, the balance of contracts due from the client at maturity, is offset against the corresponding liability with the company's bankers.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Improvements to property	- 20% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

2 STAFF COSTS

	2012	2011
	£	£
Wages and salaries	167,999	138,113
Social security costs	14,504	12,691
	<u>182,503</u>	<u>150,804</u>

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

	2012	2011
Sales, administration and support staff	<u>10</u>	<u>7</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation - owned assets	14,982	13,135
Auditors' remuneration	7,140	6,660
Foreign exchange differences	<u>(46,338)</u>	<u>(2,236)</u>
Directors' remuneration and other benefits etc	<u>18,444</u>	<u>36,485</u>

4 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2012 £	2011 £
Current tax		
UK corporation tax	<u>98,990</u>	<u>23,992</u>
Tax on profit on ordinary activities	<u>98,990</u>	<u>23,992</u>

5 DIVIDENDS

	2012 £	2011 £
Ordinary shares of £1 each		
Interim	<u>116,785</u>	<u>89,458</u>

6 TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2012	13,303	22,625	23,779	59,707
Additions	<u>780</u>	<u>3,799</u>	<u>6,100</u>	<u>10,679</u>
At 31 December 2012	<u>14,083</u>	<u>26,424</u>	<u>29,879</u>	<u>70,386</u>
DEPRECIATION				
At 1 January 2012	2,584	6,780	13,619	22,983
Charge for year	<u>2,306</u>	<u>4,372</u>	<u>8,304</u>	<u>14,982</u>
At 31 December 2012	<u>4,890</u>	<u>11,152</u>	<u>21,923</u>	<u>37,965</u>
NET BOOK VALUE				
At 31 December 2012	<u>9,193</u>	<u>15,272</u>	<u>7,956</u>	<u>32,421</u>
At 31 December 2011	<u>10,719</u>	<u>15,845</u>	<u>10,160</u>	<u>36,724</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade debtors	379,582	266,134
Other debtors	5,000	5,000
	<u>384,582</u>	<u>271,134</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Other loan	40,000	-
Trade creditors	201,040	451,922
Corporation tax	102,479	26,178
Social security and other taxes	4,740	4,004
Other creditors	631,767	304,992
Directors' current accounts	9,820	-
Accruals and deferred income	8,065	7,560
	<u>997,911</u>	<u>794,656</u>

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Other loan due within one to two years	40,000	-
Other loan due within two to five years	120,000	-
	<u>160,000</u>	<u>-</u>

10 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid by the company

	2012	2011
	£	£
Expiring		
Between one and five years	<u>20,000</u>	<u>20,000</u>

11 SECURED DEBTS

The following secured debts are included within creditors

	2012	2011
	£	£
Other loan	<u>200,000</u>	<u>-</u>

The other loan included within creditors is secured on the issued redeemable preference shares

Notes to the Financial Statements - continued
for the Year Ended 31 December 2012

12 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	2012 £	2011 £
22,999	Ordinary	£1	22,999	22,999
1	A ordinary	£1	1	1
10	Redeemable preference	£47,700	477,000	477,000
			<u>500,000</u>	<u>500,000</u>

The holders of the preference shares are not entitled to require redemption of any part of the preference shares issued. The company can give, with not less than one month's notice in writing to the holders of the preference shares, its intention to redeem all or any part of these shares. The shares are redeemable at par, together with any accrued dividend up to the date of redemption.

13 RESERVES

	Profit and loss account £
At 1 January 2012	55,711
Profit for the year	354,003
Dividends	<u>(116,785)</u>
At 31 December 2012	<u>292,929</u>

14 OTHER FINANCIAL COMMITMENTS

As at the year end, the company had entered into forward contracts totalling £33,930,495 (2011 - £16,154,106). This exposure is matched by commitments of at least equal value by customers whom have initiated these contracts.

15 RELATED PARTY DISCLOSURES

During the year under review, the company traded foreign currency contracts, on normal commercial terms, amounting to £5,833,828 (2011 - £8,425,860) with Basic Thinking Limited, a company in which K Hickey is a director. Contracts amounting to £2,093,316 (2011 - £951,154) were open as at the year end.

In addition, the company traded foreign currency contracts, on normal commercial terms, amounting to £nil (2011 - £1,281) with M J Tillbrook and £50,000 (2011 - £49,256) with M Tillbrook.

The company also traded foreign currency contracts, on normal commercial terms, amounting to £nil (2011 - £18,383) with S Watts, the wife of L J Halfnight, a director of the company. This contract was open as at the previous year end.

During the year under review, the company paid interest, on normal commercial terms, of £1,360 (2011 - £3,200) to M J Tillbrook. As at the year end, the company owed M J Tillbrook £9,820 (2011 - £nil).

As at the year end, £200,000 (2011 - £nil) was due to the Tillbrooks Pension Scheme, a scheme in which M J Tillbrook and M Tillbrook are trustees. This advance is due for repayment over a period of five years and is subject to interest charged annually at 1.5%.

16 ULTIMATE CONTROLLING PARTY

The parent undertaking is Alpha Capital Limited, which holds 65% of the ordinary share capital in the company
The ultimate controller is M J Tillbrook, by virtue of his shareholding in the parent undertaking