

# ANNUAL REPORT & FINANCIAL STATEMENTS 2008/09



**AUDITORS**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London WC2N 6RH

**BANKERS**

HSBC Bank Plc  
West End Corporate Banking Centre  
70 Pall Mall  
London  
SW1Y 5EZ

**TRADING NAME**

Moneycorp Markets Limited

**REGISTERED OFFICE**

2 Sloane Street  
Knightsbridge  
London SW1X 9LA

**COMPANY**

**REGISTRATION NUMBER**  
05774742

**DATE OF INCORPORATION**

7 April 2006

**DIRECTORS**

B Shlewet  
M P Weinberg  
K N Hatton  
N Medici  
E Warner  
P Shepherd

**COMPANY SECRETARY**

M P Weinberg

**HEAD OFFICE**

2 Sloane Street  
Knightsbridge  
London SW1X 9LA



Moneycorp Markets Limited  
is certified to ISO 9001 2008  
Quality Assurance

Moneycorp Markets Limited  
Registered in England No 5774742  
Wholly owned subsidiary of  
TTT Moneycorp Limited  
Registered in England No 738837  
Incorporated in 1962

---

## CONTENTS

Directors' report	4-5
Independent auditors' report	6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9-16

#### 4 Directors' report

FOR THE YEAR ENDED 31 AUGUST 2009

The Directors present their report and the audited financial statements of the Company for the year ended 31 August 2009

##### **PRINCIPAL ACTIVITIES**

The principal activity of the Company is the provision of online trading services across a range of financial products, including foreign exchange, Contracts for Difference (CFD), futures and shares

##### **REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

The Directors consider the financial position of the Company to be satisfactory. Business development activities and new products introduced over the period of review contributed to income growth, with further products planned for the coming year. The Directors expect the Company's financial performance to show a significant improvement in the coming year having reduced significantly the cost base whilst bringing in new income streams.

##### **RISKS AND UNCERTAINTIES**

The Company is reliant upon the financial support of its Parent Company, TTT Moneycorp Limited. TTT Moneycorp Limited is satisfied with the progress of the Company, is fully supportive of its plans for the foreseeable future and is committed to the ongoing provision of support.

The Directors believe there is a high level of both demand and liquidity for its services. It has a focused strategy to acquire clients and its success depends upon that strategy being pursued by capable management as well as external factors. The Company is authorised and regulated by the Financial Services Authority and does not consider current or known future regulation to be financially or operationally prohibitive.

##### **RESULTS AND DIVIDENDS**

The profit and loss account for the period is set out on page 7. The Directors do not recommend the payment of a dividend (2008: £nil).

##### **DIRECTORS**

The Directors listed below have served the Company during the year and up to the date of this report:

B Shlewet

M P Weinberg

K N Hatton

N Medici

E Warner

P Shepherd

##### **KEY PERFORMANCE INDICATORS**

Turnover for the year has increased three-fold from 2008 to £1,002,667 with the operating loss falling by 28% from 2008 to £766,345.

##### **DONATIONS**

No donations were made for charitable or political purposes during the year (2008: £nil).

##### **DISCLOSURE TO AUDITORS**

In accordance with Section 418, each of the Directors in office at the date of approval of this report has confirmed that:

- a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- b) he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

5 | Directors' report (continued)  
FOR THE YEAR ENDED 31 AUGUST 2009

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the Annual 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

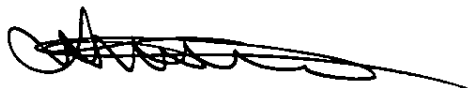
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial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

The Directors confirm that they have complied with the above requirements in preparing the financial statements. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company for taking all reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS**

A resolution to reappoint PricewaterhouseCoopers LLP will be proposed

**BY ORDER OF THE BOARD**



K N Hatton  
Director

17 December 2009

6 | Independent Auditors' Report  
To the member of Moneycorp Markets Limited

We have audited the financial statements of Moneycorp Markets Limited for the year ended 31 August 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As explained more fully in the Statement of Directors' Responsibilities set out on page 5 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 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.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Sections 495 and 496 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**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.

**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 August 2009 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.

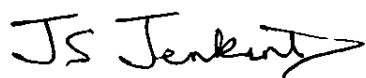
**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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.



Julian Jenkins (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

17 December 2009

7 | Profit and loss account  
FOR THE YEAR ENDED 31 AUGUST 2009

	Notes	2009 £	2008 £
<b>TURNOVER</b>	2	<b>1,002,667</b>	295,569
Administrative expenses		<b>(1,769,012)</b>	(1,356,477)
<b>OPERATING LOSS</b>	3	<b>(766,345)</b>	(1,060,908)
Interest receivable and similar income	6	<b>96,325</b>	129,097
Interest payable and similar charges	7	<b>(29,353)</b>	(62,012)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(699,373)</b>	(993,823)
Taxation on loss on ordinary activities	8	<b>193,924</b>	290,196
<b>LOSS FOR THE YEAR</b>	15	<b>(505,449)</b>	(703,627)

All results relate to continuing operations

The Company has no recognised gains and losses for the year other than the loss above and therefore no separate statement of recognised gains and losses has been presented

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated above and their historical cost equivalents


8 | Balance sheet  
AT 31 AUGUST 2009

	Notes	2009 £	2009 £	2008 £	2008 £
<b>FIXED ASSETS</b>					
Tangible assets	10		11,100		15,710
<b>CURRENT ASSETS</b>					
Debtors	11	1,096,037		809,920	
Cash at bank and in hand	12	5,048,689		2,340,449	
		6,144,726		3,150,369	
<b>CREDITORS</b>					
Amounts falling due within one year	13	(5,701,070)		(2,355,874)	
<b>NET CURRENT ASSETS</b>			443,656		794,495
<b>NET ASSETS</b>			454,756		810,205
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		2,100,000		1,950,000
Profit and loss account	15		(1,645,244)		(1,139,795)
<b>SHAREHOLDERS' FUNDS</b>	16		454,756		810,205

Approved by the Board on 17 December 2009 and signed on its behalf by

**DIRECTORS**

  
K N Hatton

  
M P Weinberg



9 | Notes to the financial statements  
FOR THE YEAR ENDED 31 AUGUST 2009

**1 PRINCIPAL ACCOUNTING POLICIES**

The financial statements have been prepared on a going concern basis under the historical cost convention in accordance with laws and Accounting Standards applicable in the United Kingdom and with the Companies Act 2006. A summary of the accounting policies of the Company, which have been applied consistently, is set out below.

**(a) TANGIBLE FIXED ASSETS**

The cost of tangible fixed assets is their purchase cost together with any incidental expenses of acquisition. Depreciation is calculated so as to write off the cost of fixed assets over the expected useful economic lives of the assets concerned. The principal annual rates and bases used for this purpose are:

Fixtures and fittings	15% straight line
Computer equipment	25% straight line

**(b) FOREIGN CURRENCIES**

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling when the transaction took place. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rate ruling at the balance sheet date. Exchange gains or losses are included in arriving at the operating loss. The gross asset and liability relating to foreign currency exchange debtors are reported in the balance sheet under debtors and creditors respectively.

**(c) TURNOVER**

Turnover comprises income earned on online trading services which is recognised when the transaction is made.

**(d) DEFERRED TAXATION**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable results and its results as stated in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

**(e) PENSION SCHEME**

The Company operates a defined contribution pension scheme for certain employees. The cost to the Company is charged to the profit and loss account as incurred.

**2 TURNOVER**

Turnover consists of sales made in the United Kingdom.

**3 OPERATING LOSS**

	2009 £	2008 £
Operating loss is stated after charging		
Services provided by the Company's auditors		
• Fees payable for the audit	3,000	6,000
• Fees payable for tax services	2,000	-
Depreciation of tangible fixed assets (note 10)	5,151	4,555

10 | Notes to the financial statements  
FOR THE YEAR ENDED 31 AUGUST 2009

**4 DIRECTORS' EMOLUMENTS**

	2009 £	2008 £
Aggregate emoluments (including benefits) for management services and services as Directors	<b>175,524</b>	<b>5,205</b>

The emoluments of B Shlewet M P Weinberg, K N Hatton and N Medici were paid by the Parent Company, TTT Moneycorp Limited, which makes no recharge to the Company. B Shlewet M P Weinberg, K N Hatton and N Medici are also directors of TTT Moneycorp Limited and, accordingly, the above details include no emoluments in respect of these Directors whose emoluments are included in the financial statements of TTT Moneycorp Limited.

11 | Notes to the financial statements  
FOR THE YEAR ENDED 31 AUGUST 2009

**5 EMPLOYEE INFORMATION**

	2009 number	2008 number
a) The average number of persons employed by the Company (including Directors) during the year is analysed below		
Management and administration	1	1
Operations	13	16
	14	17

	2009 £	2008 £
b) Employment costs		
Aggregate gross wages and salaries	837,497	643,136
Social security costs	94,442	68,969
Pension costs	4,860	-
	936,799	712,105

**6 INTEREST RECEIVABLE AND SIMILAR INCOME**

	2009 £	2008 £
Interest receivable and similar income consists of		
Bank interest	96,325	129,097

**7 INTEREST PAYABLE AND SIMILAR CHARGES**

Interest payable and similar charges consists of		
Other interest	29,353	62,012

12 | Notes to the financial statements  
FOR THE YEAR ENDED 31 AUGUST 2009

**8 TAXATION ON LOSS ON ORDINARY ACTIVITIES**

**a) ANALYSIS OF CREDIT IN YEAR**

	2009 £	2008 £
Current tax		
UK corporation tax for the year at 28% (2008 29.2%)	<b>193,924</b>	290,196

**b) FACTORS AFFECTING TAX CREDIT FOR YEAR**

	2009 £	2008 £
The tax assessed for the year is lower than the standard rate of corporation tax in the UK (28%). The differences are explained below		
Loss on ordinary activities before tax	<b>(699,373)</b>	(993,823)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 29.2%)	<b>(195,824)</b>	(290,196)
Effects of		
Expenses not deductible for tax purposes	1,265	-
Accelerated capital allowances	635	-
Current tax credit for year (note 8(a))	<b>(193,924)</b>	(290,196)

**9 DIVIDENDS**

No dividends were paid or proposed during the year (2008 £nil)

13 | Notes to the financial statements  
FOR THE YEAR ENDED 31 AUGUST 2009

10 TANGIBLE ASSETS

	Fixtures and fittings £	Computer equipment £	Total £
<b>COST</b>			
At 1 September 2008	5 391	16 211	21,602
Additions	-	541	541
<b>At 31 August 2009</b>	<b>5,391</b>	<b>16,752</b>	<b>22,143</b>
<b>ACCUMULATED DEPRECIATION</b>			
At 1 September 2008	1,168	4,724	5,892
Charge for the year	997	4,154	5,151
<b>At 31 August 2009</b>	<b>2,165</b>	<b>8,878</b>	<b>11,043</b>
<b>NET BOOK AMOUNT</b>			
<b>At 31 August 2009</b>	<b>3,226</b>	<b>7,874</b>	<b>11,100</b>
At 31 August 2008	4 223	11 487	15 710

14 | Notes to the financial statements  
FOR THE YEAR ENDED 31 AUGUST 2009

**11 DEBTORS**

	2009	2008
	£	£
Trade debtors	882,230	584,601
Amounts owed by parent undertaking	193,924	190,268
Other debtors	16,346	-
Prepayments and accrued income	3,537	35,051
	1,096,037	809,920

The amounts owed by parent undertakings are unsecured interest free and repayable on demand

**12 CASH AT BANK AND IN HAND**

At 31 August 2009 cash balances with banks included £4 577 753 of customer deposits (2008 £1,687,758)

The corresponding liability is included within trade creditors (note 13)

**13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009	2008
	£	£
Trade creditors	5,445,779	2,173,622
Amounts owed to parent undertaking	63,007	62,177
PAYE and social security costs	16,984	26,058
Accruals and deferred income	175,300	94,017
	5,701,070	2,355,874

The amounts owed to parent undertakings are unsecured interest free and repayable on demand

15 | Notes to the financial statements  
FOR THE YEAR ENDED 31 AUGUST 2009

**14 CALLED UP SHARE CAPITAL**

	2009	2008
<b>Ordinary shares of £1 each</b>		
Authorised - value	<b>£1,000,000</b>	£1,000,000
Authorised - number	<b>1,000,000</b>	1,000,000
<b>Allotted, called up and fully paid - value</b>	<b>£750,000</b>	£750,000
Allotted - called up and fully paid - number	<b>750,000</b>	750,000
<b>Non-cumulative Preference shares of £1 each</b>		
Authorised - value	<b>£1,450,000</b>	£1,450,000
Authorised - number	<b>1,450,000</b>	1,450,000
<b>Allotted, called up and fully paid - value</b>	<b>£1,350,000</b>	£1,200,000
Allotted, called up and fully paid - number	<b>1,350,000</b>	1,200,000
<b>Total allotted - called up and fully paid - value</b>	<b>£2,100,000</b>	£1,950,000

On 26 June 2009 the Company issued 150,000 non-cumulative preference shares at an aggregate nominal value of £150,000 at par

**15 PROFIT AND LOSS ACCOUNT**

	2009 £	2008 £
At 1 September 2008	<b>(1,139,795)</b>	(436,168)
Loss for the year	<b>(505,449)</b>	(703,627)
<b>At 31 August 2009</b>	<b>(1,645,244)</b>	(1,139,795)

**16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2009 £	2008 £
Loss on ordinary activities after taxation	<b>(505,449)</b>	(703,627)
Shares issued (note 14)	<b>150,000</b>	1,000,000
Net (reduction)/addition to shareholders' funds	<b>(355,449)</b>	296,373
Opening shareholders' funds	<b>810,205</b>	513,832
Closing shareholders' funds	<b>454,756</b>	810,205

**17 CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS**

The Company has no contingent liabilities or financial commitments as at the reporting date

**18 RELATED PARTIES AND CASH FLOW STATEMENT**

The Company is a wholly-owned subsidiary of TTT Moneycorp Limited, which is, in turn, a wholly-owned subsidiary of Regent Acquisitions (Holdings) Limited. The results of the Company are included in the consolidated financial statements of TTT Moneycorp Limited. Consequently the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1. The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Regent Acquisitions (Holdings) Limited Group or investees of the Regent Acquisitions (Holdings) Limited Group.

The Directors of the Company listed below entered into at arms-length transactions with the Company during the year yielding income for the Company as follows:

Mr B. Shlewet entered into transactions yielding income of £3,740.

Mr K. Hatton entered into transactions yielding income of £1,610.

Mr M. Weinberg entered into transactions yielding income of £462.

Mr N. Medici entered into transactions yielding income of £1,037.

Mr P. Shepherd entered into transactions yielding income of £14,283.

**19 PARENT AND ULTIMATE HOLDING COMPANY**

The Directors consider that the Company's immediate controlling party is TTT Moneycorp Limited (100% effective holding), registered and incorporated in England. The Company's immediate parent undertaking, TTT Moneycorp Limited, produces group accounts, which may be obtained from 2 Sloane Street, London, SW1X 9LA. The ultimate holding company is Regent Acquisitions (Holdings) Limited (100% effective holding), a company incorporated and registered in Jersey, Channel Islands. The ultimate controllers of this company are a Shlewet family trust, the RBS Special Opportunities Fund (a fund which is managed by RBS Asset Management Limited\* and for which the nominee company is RB Investments 1 Limited) and senior management of TTT Moneycorp Limited.

\*RBS Asset Management Limited is a subsidiary of Royal Bank of Scotland plc