

Company Registration No 3684214 (England and Wales)



**TITON ASSOCIATES LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

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COMPANIES HOUSE

**GERALD EDELMAN**  
**CHARTERED ACCOUNTANTS**

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# **TITON ASSOCIATES LIMITED**

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# **TITON ASSOCIATES LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 MARCH 2008***

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The directors present their report and financial statements for the year ended 31 March 2008

### **Principal activities and review of the business**

The principal activity of the company continued to be that of consultancy and project management services  
The company is regulated by the Financial Services Authority

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future

### **Principal Risks**

Financial instruments comprise of financial assets and liabilities. Financial assets of the Company consist of cash and cash equivalents, trade and other receivables. Financial liabilities of the Company consist of trade payables, related party and other payables and accrued expenses

#### **Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk primarily on its cash and cash equivalents

Credit risk on cash and cash equivalents is limited as they are placed with local banks having good credit ratings

#### **Liquidity risk**

Liquidity risk is the risk that the Company will have difficulty raising funds to meet commitments associated with financial instruments

The Company limits its liquidity risk by ensuring that working capital is in excess of expected requirements

#### **Currency risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates

All the transactions of the Company are in British Pounds, Danish Kroners and Euros. The Company's currency risk arises mainly from Danish Kroners. The company does not hedge against this risk

### **Results and dividends**

The results for the year are set out on page 5

The directors do not recommend payment of an ordinary dividend

### **Directors**

The following directors have held office since 1 April 2007

M G Mullertz  
L S Nielsen

# TITON ASSOCIATES LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2008**

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### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting

### Directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to 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 those financial statements, the directors are required to

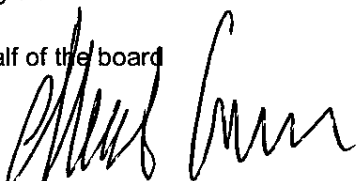
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records that 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 1985. 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 of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M G Mullertz

**Director**

3 July 2008

# **TITON ASSOCIATES LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE SHAREHOLDERS OF TITON ASSOCIATES LIMITED**

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We have audited the financial statements of Titon Associates Limited for the year ended 31 March 2008 set out on pages 5 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# TITON ASSOCIATES LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE SHAREHOLDERS OF TITON ASSOCIATES LIMITED

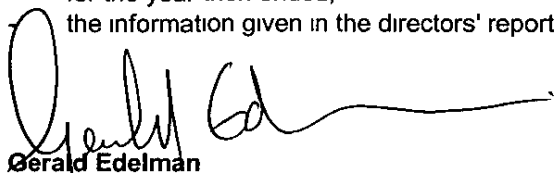
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#### Opinion

We have audited the financial statements of Titon Associates Limited for the year ended 31 March 2008 set out on pages 5 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its loss for the year then ended,
- the information given in the directors' report is consistent with the financial statements.



Gerald Edelman

3 July 2008

Chartered Accountants  
Registered Auditor

25 Harley Street  
London  
W1G 9BR

# TITON ASSOCIATES LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2008**

	Notes	2008 £	2007 £
Turnover	2	187,712	297,078
Administrative expenses		(197,441)	(204,027)
Other operating income		-	9,540
<b>Operating (loss)/profit</b>	<b>3</b>	<b>(9,729)</b>	<b>102,591</b>
Other interest receivable and similar income	4	6,010	3,100
Interest payable and similar charges	5	(8)	(2)
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(3,727)</b>	<b>105,689</b>
Tax on (loss)/profit on ordinary activities	6	92	(20,818)
<b>(Loss)/profit for the year</b>	<b>12</b>	<b>(3,635)</b>	<b>84,871</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

# TITON ASSOCIATES LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2008

	Notes	2008 £	£	2007 £	£
<b>Fixed assets</b>					
Tangible assets	7		2,108		1,788
<b>Current assets</b>					
Debtors	8	17,336		23,347	
Cash at bank and in hand		189,810		288,297	
		<u>207,146</u>		<u>311,644</u>	
<b>Creditors amounts falling due within one year</b>	9	<u>(9,441)</u>		<u>(109,984)</u>	
<b>Net current assets</b>			<u>197,705</u>		<u>201,660</u>
<b>Total assets less current liabilities</b>			<u>199,813</u>		<u>203,448</u>
			<u>199,813</u>		<u>203,448</u>
<b>Capital and reserves</b>					
Called up share capital	11	25,000		25,000	
Profit and loss account	12	174,813		178,448	
<b>Shareholders' funds</b>	13	<u>199,813</u>		<u>203,448</u>	

Approved by the Board and authorised for issue on 3 July 2008

  
M G Mullertz  
Director

# TITON ASSOCIATES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

	£	2008 £	£	2007 £
<b>Net cash (outflow)/inflow from operating activities</b>		(82,213)		185,430
<b>Returns on investments and servicing of finance</b>				
Interest received	6,010		3,100	
Interest paid	(8)		(2)	
<b>Net cash inflow for returns on investments and servicing of finance</b>		6,002		3,098
<b>Taxation</b>		(20,103)		(22,246)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(2,173)		(1,209)	
<b>Net cash outflow for capital expenditure</b>		(2,173)		(1,209)
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>		(98,487)		165,073
<b>(Decrease)/increase in cash in the year</b>		(98,487)		165,073

# TITON ASSOCIATES LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

1	Reconciliation of operating (loss)/profit to net cash (outflow)/inflow from operating activities		2008	2007
			£	£
	Operating (loss)/profit		(9,729)	102,591
	Depreciation of tangible assets		1,853	1,137
	Decrease/(increase) in debtors		5,633	(986)
	(Decrease)/Increase in creditors within one year		(79,970)	82,688
	Net cash (outflow)/inflow from operating activities		(82,213)	185,430

2	Analysis of net funds	1 April 2007	Cash flow	Other non- 31 March 2008 cash changes
		£	£	£
	Net cash			
	Cash at bank and in hand	288,297	(98,487)	-
	Net funds	288,297	(98,487)	-

3	Reconciliation of net cash flow to movement in net funds	2008	2007
		£	£
	(Decrease)/Increase in cash in the year	(98,487)	165,073
	Movement in net funds in the year	(98,487)	165,073
	Opening net funds	288,297	123,224
	Closing net funds	189,810	288,297

# TITON ASSOCIATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### 1.3 Turnover

Turnover represents amounts receivable for services provided net of VAT

#### 1.4 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 less estimated residual value of each asset over its expected useful life, as follows

Fixtures, fittings & equipment	Over 3 years
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#### 1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

#### 1.6 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Recognition of deferred tax assets is to the extent that the company anticipates making taxable profits in the future to absorb the reversal of the underlying timing differences

#### 1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating (loss)/profit	2008 £	2007 £
Operating (loss)/profit is stated after charging		
Depreciation of tangible assets	1,853	1,137
Auditors' remuneration	3,000	3,060
Remuneration of auditors for non-audit work	2,052	1,800
	<u>          </u>	<u>          </u>

# TITON ASSOCIATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

<b>4</b>	<b>Investment income</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	Bank interest	6,010	3,100
		<u>6,010</u>	<u>3,100</u>
<b>5</b>	<b>Interest payable</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	8	2
		<u>8</u>	<u>2</u>
<b>6</b>	<b>Taxation</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	-	20,574
	Adjustment for prior years	(470)	-
		<u>(470)</u>	<u>-</u>
	<b>Current tax charge</b>	<b>(470)</b>	<b>20,574</b>
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	378	244
		<u>378</u>	<u>244</u>
		<b>(92)</b>	<b>20,818</b>
		<u>(92)</u>	<u>20,818</u>
	<b>Factors affecting the tax charge for the year</b>		
	(Loss)/profit on ordinary activities before taxation	(3,727)	105,689
		<u>(3,727)</u>	<u>105,689</u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2007 - 19.00%)	(745)	20,081
		<u>(745)</u>	<u>20,081</u>
	<b>Effects of</b>		
	Non deductible expenses	393	737
	Depreciation add back	371	216
	Capital allowances	(396)	(460)
	Adjustments to previous periods	(470)	-
	Other tax adjustments	377	-
		<u>275</u>	<u>493</u>
		<b>(470)</b>	<b>20,574</b>
		<u>(470)</u>	<u>20,574</u>

# TITON ASSOCIATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 7 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 April 2007	18,602
Additions	2,173
	<hr/>
At 31 March 2008	20,775
	<hr/>
<b>Depreciation</b>	
At 1 April 2007	16,814
Charge for the year	1,853
	<hr/>
At 31 March 2008	18,667
	<hr/>
<b>Net book value</b>	
At 31 March 2008	2,108
	<hr/>
At 31 March 2007	1,788
	<hr/>

8 Debtors	2008 £	2007 £
Other debtors	13,585	18,125
Prepayments and accrued income	3,318	4,411
Deferred tax asset (see note 10)	433	811
	<hr/>	<hr/>
	17,336	23,347
	<hr/>	<hr/>

# TITON ASSOCIATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

9	Creditors: amounts falling due within one year	2008 £	2007 £
	Trade creditors	3,126	85,182
	Corporation tax	-	20,573
	Other taxes and social security costs	2,636	-
	Directors' current accounts	229	229
	Accruals and deferred income	3,450	4,000
		<u>9,441</u>	<u>109,984</u>

### 10 Provisions for liabilities and charges

The deferred tax asset (included in debtors, note 8) is made up as follows

	2008 £
Balance at 1 April 2007	(811)
Profit and loss account	378
	<u>(433)</u>
Balance at 31 March 2008	<u>(433)</u>

	2008 £	2007 £
Decelerated capital allowances	<u>(433)</u>	<u>(811)</u>

11	Share capital	2008 £	2007 £
	<b>Authorised</b>		
	1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
	<b>Allotted, called up and fully paid</b>		
	25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

# TITON ASSOCIATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 12 Statement of movements on profit and loss account

Profit and  
loss  
account  
£

Balance at 1 April 2007	178,448
Loss for the year	(3,635)
Balance at 31 March 2008	<u>174,813</u>

### 13 Reconciliation of movements in shareholders' funds

2008  
£

2007  
£

(Loss)/Profit for the financial year	(3,635)	84,871
Opening shareholders' funds	203,448	118,577
Closing shareholders' funds	<u>199,813</u>	<u>203,448</u>

### 14 Directors' emoluments

2008  
£

2007  
£

Emoluments for qualifying services	<u>48,000</u>	<u>48,000</u>
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### 15 Transactions with directors

Included in creditors falling due within one year are amounts due to M G Mullertz of £229 (2007 - £229)  
There are no terms as to interest or repayment of this balance

# TITON ASSOCIATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 16 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2008 Number	2007 Number
Directors	2	2
Administration	1	1
	<u>3</u>	<u>3</u>

#### Employment costs

	2008 £	2007 £
Wages and salaries	83,166	60,000
Social security costs	8,346	6,176
	<u>91,512</u>	<u>66,176</u>

### 17 Related party transactions

Part of the company's turnover amounting to £96,000 (2007 - £96,000) was derived from Titon Management Inc , a company incorporated in British Virgin Islands M G Mullertz is a director of Titon Management Inc , and he and his associates are beneficiaries of a trust which owns 50% of the share capital of Titon Associates Limited and Titon Management Inc