

Company Registration No. 03684214 (England and Wales)

TITON ASSOCIATES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

TITON ASSOCIATES LIMITED

COMPANY INFORMATION

Directors	M G Mullertz L S Nielsen
Secretary	M G Mullertz
Company number	03684214
Registered office	35 Vine Street London EC3N 2AA
Auditors	Gerald Edelman 25 Harley Street London W1G 9BR
Business address	33 St James's Square London SW1Y 4JS

TITON ASSOCIATES LIMITED

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TITON ASSOCIATES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2013

The directors present their report and financial statements for the year ended 31 March 2013.

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 Conduct 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.

Directors

The following directors have held office since 1 April 2012:

M G Mullertz
L S Nielsen

TITON ASSOCIATES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

Charitable donations	2013	2012
	£	£
During the year the company made the following payments:		
Charitable donations	2,708	-

Auditors

The auditors, Gerald Edelman, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

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 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 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

5 July 2013

TITON ASSOCIATES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TITON ASSOCIATES LIMITED

We have audited the financial statements of Titon Associates Limited for the year ended 31 March 2013 set out on pages 5 to 13. 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).

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 set out on pages 1 - 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 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 Directors' Report 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 March 2013 and of its profit 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.

TITON ASSOCIATES LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF TITON ASSOCIATES 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.

Stephen Coleman ACA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman

5 July 2013

Chartered Accountants
Statutory Auditor

25 Harley Street
London
W1G 9BR

TITON ASSOCIATES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2013

		2013	2012
	Notes	£	£
Turnover	2	658,795	628,488
Administrative expenses		<u>(348,331)</u>	<u>(326,497)</u>
Operating profit	3	310,464	301,991
Other interest receivable and similar income	4	<u>23</u>	<u>391</u>
Profit on ordinary activities before taxation		310,487	302,382
Tax on profit on ordinary activities	5	<u>(71,306)</u>	<u>(73,144)</u>
Profit for the year	11	<u><u>239,181</u></u>	<u><u>229,238</u></u>

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 2013

		2013	2012
	Notes	£	£
Fixed assets			
Tangible assets	7	2,799	1,662
Current assets			
Debtors	8	117,819	178,254
Cash at bank and in hand		601,120	530,211
		718,939	708,465
Creditors: amounts falling due within one year	9	(261,865)	(139,435)
Net current assets		457,074	569,030
Total assets less current liabilities		459,873	570,692
Capital and reserves			
Called up share capital	10	25,000	25,000
Profit and loss account	11	434,873	545,692
Shareholders' funds	12	459,873	570,692

Approved by the Board and authorised for issue on 5 July 2013

M G Mullertz
Director

Company Registration No. 03684214

TITON ASSOCIATES LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2013

	£	2013 £	£	2012 £
Net cash inflow from operating activities		495,982		326,324
Returns on investments and servicing of finance				
Interest received	4		391	
Net cash inflow for returns on investments and servicing of finance		4		391
Taxation		(73,161)		(59,123)
Capital expenditure				
Payments to acquire tangible assets	(1,916)		(1,371)	
Net cash outflow for capital expenditure		(1,916)		(1,371)
Equity dividends paid		(350,000)		-
Net cash inflow before management of liquid resources and financing		70,909		266,221
Increase in cash in the year		70,909		266,221

TITON ASSOCIATES LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2013

1	Reconciliation of operating profit to net cash inflow from operating activities	2013	2012
		£	£
	Operating profit	310,464	301,991
	Depreciation of tangible assets	779	384
	Decrease in debtors	60,454	18,982
	Increase in creditors within one year	124,285	4,967
	Net cash inflow from operating activities	495,982	326,324

2	Analysis of net funds	1 April 2012	Cash flow	Other non-cash changes	31 March 2013
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	530,211	70,909	-	601,120
	Bank deposits	-	-	-	-
	Net funds	530,211	70,909	-	601,120

3	Reconciliation of net cash flow to movement in net funds	2013	2012
		£	£
	Increase in cash in the year	70,909	266,221
	Movement in net funds in the year	70,909	266,221
	Opening net funds	530,211	263,990
	Closing net funds	601,120	530,211

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

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. Where the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the balance sheet date.

The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the revenue can be measured reliably;
- it is probable that the economic benefits will flow to the entity;
- the stage of completion at the balance sheet date can be measured reliably, and
- the costs relating to the transaction can be measured reliably.

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 and fittings	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 taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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.

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

3	Operating profit	2013	2012
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	779	384
	Loss on foreign exchange transactions	11,209	18,140
	Auditors' remuneration (including expenses and benefits in kind)	4,035	3,700
4	Investment income	2013	2012
		£	£
	Bank interest	4	391
	Other interest	19	-
		23	391
5	Taxation	2013	2012
		£	£
	Domestic current year tax		
	U.K. corporation tax	71,436	73,143
	Adjustment for prior years	(130)	1
	Total current tax	71,306	73,144
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	310,487	302,382
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.00% (2012 - 26.00%)	74,517	78,619
	Effects of:		
	Non deductible expenses	1,581	1,519
	Depreciation add back	187	100
	Capital allowances	(506)	(449)
	Adjustments to previous periods	(130)	1
	Other tax adjustments	(4,343)	(6,646)
		(3,211)	(5,475)
	Current tax charge for the year	71,306	73,144

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

6	Dividends	2013	2012
		£	£
	Ordinary interim paid	350,000	-
7	Tangible fixed assets		
			Fixtures and fittings
			£
	Cost		
	At 1 April 2012		8,838
	Additions		1,916
	At 31 March 2013		10,754
	Depreciation		
	At 1 April 2012		7,176
	Charge for the year		779
	At 31 March 2013		7,955
	Net book value		
	At 31 March 2013		2,799
	At 31 March 2012		1,662
8	Debtors	2013	2012
		£	£
	Trade debtors	3,000	3,000
	Other debtors	2,294	19,224
	Prepayments and accrued income	112,525	156,030
		117,819	178,254

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

9	Creditors: amounts falling due within one year	2013 £	2012 £
	Trade creditors	1,278	674
	Corporation tax	71,288	73,143
	Other taxes and social security costs	1,310	2,272
	Other creditors	4,064	5,747
	Accruals and deferred income	183,925	57,599
		<u>261,865</u>	<u>139,435</u>

10	Share capital	2013 £	2012 £
	Allotted, called up and fully paid		
	25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

11	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 April 2012	545,692
	Profit for the year	239,181
	Dividends paid	<u>(350,000)</u>
	Balance at 31 March 2013	<u>434,873</u>

12	Reconciliation of movements in shareholders' funds	2013 £	2012 £
	Profit for the financial year	239,181	229,238
	Dividends	<u>(350,000)</u>	<u>-</u>
	Net (depletion in)/addition to shareholders' funds	(110,819)	229,238
	Opening shareholders' funds	<u>570,692</u>	<u>341,454</u>
	Closing shareholders' funds	<u>459,873</u>	<u>570,692</u>

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

13 Directors' remuneration	2013	2012
	£	£
Remuneration for qualifying services	30,000	30,000

14 Employees

Number of employees

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

	2013	2012
	Number	Number
Directors	2	2
Administrative	2	2
	4	4

Employment costs	2013	2012
	£	£
Wages and salaries	54,000	55,400
Social security costs	4,047	4,370
	58,047	59,770

15 Control

The ultimate parent company is Axi Alpha X Investors Limited, a company incorporated in the Isle of Man.

16 Related party transactions

Part of the company's turnover amounting to £nil (2012 - £12,000) was derived from Titon Management Inc., a company incorporated in British Virgin Islands. The director M G Mullertz is also a director of Titon Management Inc., and he and his family are beneficiaries of a trust which owns 45% of the share capital of Titon Management Inc.

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