

ALPHA UNIVERSAL MANAGEMENT PLC

Annual Report and Financial Statements
For the year ended 30 September 2012

ALPHA UNIVERSAL MANAGEMENT PLC

Company information

DIRECTORS:	Gobind Sahney (Chairman) Jonathan Bradley-Hoare (Non-Executive Director)
REGISTERED OFFICE:	31 Harley Street London W1G 9QS
SECRETARY:	Jonathan Bradley-Hoare
AUDITOR:	Chantrey Vellacott DFK LLP Registered Auditor Chartered Accountants Russell Square House 10-12 Russell Square London WC1B 5LF
SOLICITORS:	Burges Salmon LLP Narrow Quay House Narrow Quay Bristol BS1 4AH
BANKERS:	HSBC Bank plc 69 Pall Mall St James's London SW1Y 5EY
CORPORATE ADVISOR AND BROKER:	Peterhouse Corporate Finance 31 Lombard Street London EC3V 9BQ
REGISTRARS:	Share Registrars Limited First Floor 9 Lion and Lamb Yard Farnham Surrey GU9 7LL

Contents of the financial statements

	Page
Chairman's statement	1
Directors' report	2
Independent auditor's report	4
Income statement and statement of comprehensive income	5
Balance sheet	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9

Chairman's statement

Dear shareholder

Since writing last year's Chairman's statement, we continue to work in a challenging environment. In addition to the challenges in our business we also faced the near dissolution of what was the PLUS market. Now known as the ISDX market, it is on a much more secure financial footing but its ability to serve its members as an effective trading platform and fund raising market is yet to be proved.

As to our business operations, we progressed with our debt purchase program by entering into a one year forward flow agreement with one of the largest international automobile manufacturers. On a monthly basis, we are acquiring the motor shortfall debt and this has begun to produce revenue for your company. Given the improving economy, the Board is not certain about the prospects of future debt purchases but continue to look for new opportunities.

In 2011, we used our surplus cash to acquire a significant shareholding in an AIM listed investment vehicle that was lacking direction and I was appointed Chairman. The investment company has now become a trading company and has recently made a substantial acquisition. This investment is now showing a gain of more than 50%, part of which we realised during the year and which we will continue to crystallise over the next few months.

Our initiatives in Greece continue, albeit slowly. The overall political and economic environment continues to provide opportunities for us to review but very few have matured to the level where we might consider a deal. Although we are hopeful that some of these will develop into realisable revenue making opportunities, we have to weigh their potential against the cost of the research and due diligence necessary to complete the transaction.

Overall, we are striving to realise revenue and keep our costs to a minimum. I and my fellow director have agreed to take our fees in shares as opposed to cash and we do not plan to change this until our net revenues have increased sufficiently to cover the base costs of maintaining the ISDX-quoted company.

Please be assured that we continue to work on maximising shareholder value. I look forward to further communications with you in the future.

Gobind Sahney
Chairman

28 March 2013

Directors' report for the year ended 30 September 2012

The directors present their report and the audited financial statements for the year ended 30 September 2012.

PRINCIPAL ACTIVITY

The Company's principal activity is the acquisition of debt portfolios and other discounted assets.

COMPANY REGISTRATION

The Company is incorporated and domiciled in the United Kingdom and is registered in England and Wales with Company Registration Number 05890789.

RESULTS AND DIVIDENDS

For the year to 30 September 2012 the Company made a loss of £153,514 (2011: a loss of £237,031) Further details are shown in the income statement on page 6.

The Directors do not recommend the payment of a dividend (2011: £nil)

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

A review of the business and future developments is included within the Chairman's statement on page 1.

KEY PERFORMANCE INDICATORS

The Company's chief measurements of performance are net assets, share price, market capitalisation and ability to meet short term obligations.

	2012	2011
Market capitalisation	£168,153	£266,243
Closing share price	6p	9.5p
Net assets	£67,843	£174,257
Current ratio	1.47	7.55

DIRECTORS

The directors who served during the year were as follows:

G Sahney

J Bradley-Hoare

Details of any related party payments made to the directors are shown in note 18 to the accounts.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's principal business risk is that the directors may not be able to conclude agreements for the acquisition of suitable businesses that meet the criteria of its business strategy.

The financial risks to which the Company is exposed and the Company's strategy in connection with managing these risks is detailed in note 15 to the financial statements. These risks relate to the Company's current activity which is the acquisition of debt portfolios and other discounted assets

POLICY AND PRACTICE ON THE PAYMENT OF CREDITORS

It is the Company's policy to agree the payment terms at the start of business with each supplier, ensure that suppliers are aware of the terms of payment, and pay in accordance with contractual and other legal obligations.

The Company had 15 days' purchases outstanding at 30 September 2012 based on the average daily amount invoiced by suppliers during the period (30 September 2011: 15 days).

Directors' report for the year ended 30 September 2012

GOING CONCERN

The directors have considered the financial position of the Company, its cash position and future cash flows when considering going concern. They have also considered the Company's business activities, the key policies for managing financial risks and the key factors affecting the likely development of the business in 2013. In the light of this review, the directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

AUDITOR

In the case of each person who was a director at the time this report was approved:

- so far as that director is aware there is no relevant audit information of which the Company's auditor is unaware: and
- that director has taken all steps that the director ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

A resolution to reappoint Chantrey Vellacott DFK LLP as auditor to the Company will be proposed at the forthcoming Annual General Meeting.

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 year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. Under company law the directors must not approve the accounts 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 International Financial Reporting 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in the annual reports may differ from legislation in other jurisdictions.

On behalf of the Board
J Bradley-Hoare
Director

28 March 2013

Independent auditor's report to the shareholders of Alpha Universal Management PLC

We have audited the financial statements of Alpha Universal Management plc for the year ended 30 September 2012 which comprise the income statement, statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 statement of directors' responsibilities, 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 annual 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 30 September 2012 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS 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 to be audited 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.

IAN STAUNTON FCA CF (Senior Statutory Auditor)
for and on behalf of CHANTREY VELLACOTT DFK LLP
Chartered Accountants and Statutory Auditor
London
28 March 2013

ALPHA UNIVERSAL MANAGEMENT PLC

Income statement and statement of comprehensive income for the year ended 30 September 2012

	Notes	2012 £	2011 £
Continuing operations			
Revenue		12,872	-
Cost of sales		(11,112)	-
Gross profit		1,760	-
Administration expenses		(162,308)	(179,031)
Impairment of investment	9	-	(58,000)
Operating loss	2	(160,548)	(237,031)
Gain on disposal of available for sale investments	8	7,034	-
Loss before taxation		(153,514)	(237,031)
Taxation	5	-	-
Loss for the year from continuing operations		(153,514)	(237,031)
Other comprehensive income			
Net value gain on available for sale investments		47,100	-
Total comprehensive loss for the year		(106,414)	(237,031)
Loss per share:			
Basic and diluted (pence per share)	6	(5.5)	(10.8)

The accompanying notes are an integral part of these financial statements.

ALPHA UNIVERSAL MANAGEMENT PLC

Balance sheet As at 30 September 2012

	Notes	2012 £	2011 £
ASSETS			
Current assets			
Available for sale investments	8	135,075	-
Trade and other receivables	10	76,633	4,890
Cash and cash equivalents		650	195,969
Total assets		212,358	200,859
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Issued capital	11	896,451	896,451
Share premium		812,830	812,830
Fair value reserve		47,100	-
Accumulated losses		(1,688,538)	(1,535,024)
		67,843	174,257
Current liabilities			
Trade and other payables	12	144,515	26,602
Total equity and liabilities		212,358	200,859

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2013 and were signed on its behalf by:

Gobind Sahney
Director

J Bradley-Hoare
Director

The accompanying notes are an integral part of these financial statements.

ALPHA UNIVERSAL MANAGEMENT PLC

Statement of changes in equity For the year ended 30 September 2012

	Share capital		Share premium £	Fair value reserve £	Accumulated losses £	Total equity £
	Ordinary shares £	Deferred shares £				
1 October 2010	740,244	-	758,037	-	(1,297,993)	200,288
Total comprehensive expense for the year	-	-	-	-	(237,031)	(237,031)
Capital reconstruction	(616,195)	616,195	-	-	-	-
Share issue	156,207	-	56,793	-	-	213,000
Share issue costs	-	-	(2,000)	-	-	(2,000)
1 October 2011	280,256	616,195	812,830	-	(1,535,024)	174,257
Retained loss for year	-	-	-	-	(153,514)	(153,514)
Other Comprehensive income	-	-	-	47,100	-	47,100
Total comprehensive expense for the year	-	-	-	47,100	(153,514)	(106,414)
30 September 2012	280,256	616,195	812,830	47,100	(1,688,538)	67,843

The accompanying notes are an integral part of these financial statements.

ALPHA UNIVERSAL MANAGEMENT PLC**Statement of cash flows
For the year ended 30 September 2012**

	Notes	2012 £	2011 £
Net cash used in operating activities	14	(114,378)	(224,652)
Cash flows from investing activities:			
Investment in available for sale securities		(100,000)	-
Proceeds from disposal of investments		19,059	328,000
Costs of disposal of available for sale investments		-	(31,000)
Net cash (used in)/from investing activities		(80,941)	297,000
Cash flows from financing activities:			
Proceeds from the issue of shares		-	125,000
Share issue costs		-	(2,000)
Net cash flow from financing activities		-	153,000
Net (decrease)/increase in cash and cash equivalents		(195,319)	195,348
Cash and cash equivalents at the beginning of the year		195,969	621
Cash and cash equivalents at the end of the year		650	195,969

The accompanying notes are an integral part of these financial statements.

Notes to the financial statements
For the year ended 30 September 2012

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

GENERAL INFORMATION

Alpha Universal Management plc ('the Company') is a company registered in England and Wales on 26 July 2006 under the Companies Act 1985. The address of the registered office is given on the "Company information" page at the front of this document. The nature of the Company's operations and its principal activities are set out in the Chairman's statement and the Directors' report.

These financial statements are presented in pounds sterling being the functional currency of the Company.

BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, in accordance with International Financial Reporting Standards as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies preparing their financial statements under IFRS.

Consolidated accounts have not been prepared as the Company's sole subsidiary Go Management Limited is dormant (see note 9).

The principal accounting policies adopted are set out below.

GOING CONCERN

The directors have considered the financial position of the Company, its cash position and future cash flows when considering going concern. They have also considered the Company's business activities, the key policies for managing financial risks and the key factors affecting the likely development of the business in 2013. In the light of this review, the directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

STATEMENT OF COMPLIANCE

The financial statements comply with IFRS as adopted by the European Union. At the date of authorisation of these financial statements the following Standards and Interpretations affecting the Company, which have not been applied in these financial statements, were in issue, but not yet effective. The company does not plan to adopt these standards early.

		Effective for accounting periods beginning on or after:
IFRS 10	Consolidated Financial Statements - Identification of the concept of control of an entity and the requirement to include in consolidated accounts	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
IAS 1 (amended)	Presentation of Items of Other Comprehensive Income	1 July 2012
IAS 12 (amended)	Deferred Tax: Recovery of Underlying Assets	1 January 2012
IAS 19 (revised)	Employee Benefits	1 January 2013

The Directors have not yet evaluated the effect of these standards on the financial statements.

REVENUE RECOGNITION

Gross revenue from debt collection is recognised on receipt. Gross profit on contracts is recognised on a straight line basis over the 18 month period following the contract date based on directors' estimates of total income to be received over that period.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS EXCLUDING GOODWILL

At each balance sheet date, the Company reviews the net book amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such an indication of impairment is identified, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. In determining fair value less costs to sell, an appropriate valuation model is used.

If the recoverable amount is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

AVAILABLE FOR SALE INVESTMENTS

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at cost, including transaction costs.

Investments classified as available for sale are measured at subsequent reporting dates at fair value. Fair value is defined as the price at which an orderly transaction would take place between market participants at the reporting date and is therefore an estimate and as such requires the use of judgement. Where possible fair value is based upon observable market prices, such as listed equity markets or reported merger and acquisition transactions. Alternative bases of valuation may include contracted proceeds or best estimate thereof, implied valuation from further investment and long-term cash flows discounted at a rate which is tested against market data. Gains and losses arising from changes in fair value are recognised directly in other comprehensive income, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in other comprehensive income is included in the net profit or loss for the period. Impairment losses recognised in the income statement for equity investments classified as available-for-sale are not subsequently reversed through the income statement.

TRADE RECEIVABLES

Trade and other receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due. The amount of any provision is recognised in the income statement.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash in hand, and demand deposits.

FINANCIAL LIABILITIES AND EQUITY

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

TRADE PAYABLES

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

EQUITY INSTRUMENTS

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs

SEGMENT REPORTING

The Company determines and presents operating segments based on the information that internally is provided to the Chief Executive Officer ("CEO"), who is the Company's chief operating decision maker.

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Information provided to the CEO is focused on regions and as a result, reportable segments are on a regional basis. In 2012 and 2011 all the Company's activities occurred in the United Kingdom.

SHARE-BASED PAYMENTS

All share based payments are accounted for in accordance with IFRS 2 - "Share-based payments". The Company issues equity-settled share based payments in the form of share warrants to certain directors and employees. Equity settled share based payments are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of shares that will eventually vest.

Fair value is estimated using the Black-Scholes valuation model. The expected life used in the model has been adjusted, on the basis of management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. At each balance sheet date, the Company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

TAXATION

The taxation ('tax') expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profits for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

FOREIGN CURRENCIES

The financial information is presented in United Kingdom pounds sterling which is the functional currency of the Company.

Monetary assets and liabilities denominated in foreign currencies in the Company are translated at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are translated at the rate prevailing at the date of transaction.

Revenues, costs and cash flows of undertakings abroad are included in the Company income statement at average rates of exchange for the year. The assets and liabilities denominated in foreign currencies are translated into United Kingdom pounds sterling using rates of exchange ruling at the balance sheet date.

Other gains and losses arising from foreign currency transactions, including trading, are included in the income statement.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Company's accounting policies and key sources of estimation uncertainty, which are described above, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial information:

- The valuation of warrants issued by the Company involves the application of judgement in determining the variable inputs to the valuation model.
- The carrying value of investments, and assessment thereof for impairment, involve the application of judgement in determining recoverable amounts, as detailed in note 8.
- The directors have made certain assumptions as to the collectability of the acquired debt portfolios based on historic experience in respect of similar debt portfolios, in particular there is an assumption that economically collectable debts will be almost fully recovered in the first 18 months following acquisition, so that this period is considered to be the economic life of the debt portfolio and the net income is assumed to accrue on a straight line basis over the 18 months. The estimates used in the recognition of income are then adjusted as necessary to reflect the actual collections in respect of each acquired debt portfolio.

Notes to the financial statements
For the year ended 30 September 2012

2. LOSS FROM OPERATIONS

The loss from operations in the year to 30 September 2012 has been arrived at after charging the following amounts:

	2012 £	2011 £
Depreciation of property, plant and equipment	-	586
Debt portfolio amortisation	8,538	-
Auditors' remuneration:		
Audit services	9,000	8,000
Other services	-	850

3. SEGMENT REPORTING

The Company's activity is that of investment and management of debt portfolios and other discounted assets. Given that there is only one continuing business activity, operating in the UK no further segmental information has been provided.

4. STAFF COSTS

The average number of people employed by the Company (including directors) during the year was:

	2012	2011
Management and administration	2	2

Staff costs during the year amounted to:

	2012 £	2011 £
Wages and salaries	50,000	36,000
	50,000	36,000

Included within staff costs are directors' emoluments amounting to:

	2012 £	2011 £
Short term employee benefits	50,000	36,000
	50,000	36,000

Staff costs represent remuneration to 2 directors who are the only employees of the Company, amounting to £25,000 each to be settled by the issue of ordinary shares at a later date.

Notes to the financial statements
For the year ended 30 September 2012

5. TAXATION

	2012 £	2011 £
Current taxation		
Current tax charge for the year	-	-
Deferred taxation		
Current year (credit)	-	-
Total tax charge	-	-

A reconciliation between the accounting loss and the total taxation charge is as follows:

	2012 £	2011 £
Loss before taxation from continuing operations	153,514	237,031
Loss multiplied by standard rate of corporation tax in the UK of 26.5% (2011: 27%)	40,681	63,998
Effect of:		
Permanent differences	(1,185)	(1,843)
Deferred tax assets not recognised	(39,496)	(62,156)
Total tax charge for the year	-	-

The Company has unutilised losses of approximately £1,340,000 (2011: £1,190,000). The Company has not recognised a deferred tax asset in respect of these losses as there is insufficient evidence of future taxable profits.

Notes to the financial statements
For the year ended 30 September 2012

6. LOSS PER SHARE

	2012 £	2011 £
Loss for the year from continuing operations	(153,514)	(237,031)
Loss for the year from continuing operations	(153,514)	(237,031)
	2012 Number	2011 Number
Weighted average number of ordinary shares in issue during the year	2,802,557	2,200,028
Basic and diluted loss per share:	(5.5)p	(10.8)p

The basic and diluted loss per share from continuing operations is based on the loss after taxation of £153,514 and on the weighted average number of shares in issue during the year of 2,802,557. The share price is currently below the exercise price, so that the directors are of the opinion that the warrants will not be exercised and so are not dilutive.

7. PROPERTY, PLANT AND EQUIPMENT

	Fixtures, fittings & equipment £	Total £
Cost:		
At 1 October 2010	1,933	1,933
At 30 September 2011	1,933	1,933
At 30 September 2012	1,933	1,933
Accumulated depreciation:		
At 1 October 2010	1,347	1,347
Charge for year	586	586
At 30 September 2011	1,933	1,933
Charge for the year	-	-
At 30 September 2012	1,933	1,933
Net book amount:		
At 30 September 2012	-	-
At 30 September 2011	-	-

Notes to the financial statements
For the year ended 30 September 2012

8. AVAILABLE FOR SALE INVESTMENTS

	£
1 October 2011 - Investments at fair value	–
Cost of share purchases	100,000
Proceeds of share disposals	(19,059)
Gain on disposal of shares	7,034
	87,975
Fair value adjustment recognised in equity	47,100
30 September 2012 - Investments at fair value	135,075

The available for sale investments relate to the acquisition of shares in Stratmin Global Resources plc during the period.

The company has adopted fair value measurements using the IFRS 7 fair value hierarchy.

All investments held have been categorised as being Level 1, i.e, valued using quoted prices in active markets for identical assets.

9. INVESTMENT IN SUBSIDIARIES

	Loans to subsidiary undertakings £	Shares in subsidiary undertakings £	Total £
COST			
At 1 October 2010	297,000	-	297,000
Disposal of subsidiary undertakings	(297,000)	-	(297,000)
Acquisition of subsidiary undertaking	-	58,000	58,000
Cost at 30 September 2011 and 2012	-	58,000	58,000
IMPAIRMENT			
At 1 October 2010	-	-	-
Impairment of investment in subsidiary undertaking	-	(58,000)	(58,000)
Impairment at 30 September 2011 and 2012	-	(58,000)	(58,000)
Net book value at 30 September 2011 and 2012	-	-	-

On 7 April 2011 the Company completed the acquisition of Go Management Limited ("Go Management") for an initial consideration of £58,000, satisfied by the issue of 400,000 ordinary shares at 14.5p each. Go Management was wholly owned by Gobind Sahney and was the company through which he conducted his European debt management business. Its sole asset at the date of acquisition was a contract for his services. On the date of acquisition this contract was transferred to the Company and the value of the investment in Go Management was written down to nil and Go Management is now dormant.

In addition to the initial consideration, Mr Sahney is entitled to be issued with additional new ordinary shares equivalent to 8.5% of the Company's issued share capital on completion of each of the first three acquisitions of distressed debt portfolios by the Company, up to a maximum shareholding of 29.9%.

Details of the Company's subsidiary at 30 September 2012 are as follows:

Name of subsidiary	Country of registration or incorporation	Shares held and voting power held by parent company	Principal activity
Go Management Limited	Gibraltar	100% ordinary shares	Dormant

Notes to the financial statements
For the year ended 30 September 2012

10. TRADE AND OTHER RECEIVABLES

	2012 £	2011 £
Trade receivables	61,536	-
Other receivables	12,872	3,026
Prepayments and accrued income	2,225	1,864
	76,633	4,890

Trade receivables relate to an acquired debt portfolio which has been valued at amortised cost.

The directors consider that the carrying amount of other receivables approximates to their fair value.

11. SHARE CAPITAL

	Number of shares	£
30 September 2011:		
Ordinary shares of £0.10 each	2,802,557	280,256
Deferred shares of £0.40 each	1,540,488	616,195
		896,451
30 September 2012:		
Ordinary shares of £0.10 each	2,802,557	280,256
Deferred shares of £0.40 each	1,540,488	616,195
		896,451

The deferred shares have restricted rights such that they have no economic value.

12. TRADE AND OTHER PAYABLES

	2012 £	2011 £
Current:		
Trade payables	73,941	3,493
Other payables	-	-
Other taxation and social security	-	-
Accruals	70,574	23,109
	144,515	26,602

The directors consider that the net book amount of trade payables approximates to their fair value. All amounts included in trade and other payables are non-interest bearing and are not secured on the assets of the Company. All liabilities are due within one year.

Notes to the financial statements
For the year ended 30 September 2012

13. SHARE-BASED PAYMENTS

EQUITY-SETTLED SHARE WARRANT SCHEME

No share warrants were issued to directors and employees during the year ended 30 September 2012 or in the previous year.

There were no share warrants exercised during the year ended 30 September 2012 (2011: nil)

The number and weighted average exercise prices (WAEP) of, and movements in, share warrants during the year are shown below.

	2012		2011	
	Number	WAEP pence	Number	WAEP pence
1 October	364,553	220p	897,006	180p
Granted during the year	-	-	-	-
Forfeited during the year	(171,449)	151p	(532,453)	151p
30 September	193,104	282p	364,553	220p

Date of grant	Expiry date	Number of warrants	Exercise price per share	Held by	
				Directors and employees	Investors
06 October 2008	30 September 2015	11,496	150p	-	11,496
06 October 2008	30 September 2015	16,500	500p	-	16,500
06 October 2008	30 September 2015	16,500	750p	-	16,500
26 February 2009	30 September 2015	166	150p	-	166
26 February 2009	30 September 2015	500	500p	-	500
26 February 2009	30 September 2015	500	750p	-	500
30 March 2010	30 March 2013	147,442	213p	-	147,442
		193,104		-	193,104

The share warrants exercisable at 30 September 2012 have an exercise price in the range 150p to 750p (2011: 150p to 750p) and a weighted average contractual life of 2.0 years (2011: 1.3 years).

For the year ended 30 September 2012, in respect of warrants granted to directors and employees, there was no charge or credit to the income statement (2011: £nil).

14. NOTES TO THE CASH FLOW STATEMENTS

	2012 £	2011 £
Loss for the year	(153,514)	(237,031)
Gain on disposal of shares	(7,034)	-
Debt portfolio amortisation	8,538	-
Depreciation of property, plant and equipment	-	586
Impairment of investment in continuing operations	-	58,000
Operating cash flows before movements in working capital	(152,010)	(178,445)
(Increase)/decrease in receivables	(10,207)	6,256
Increase/(decrease) in payables	47,839	(82,463)
Net cash used in operating activities	(114,378)	(254,652)

Notes to the financial statements
For the year ended 30 September 2012

15. FINANCIAL INSTRUMENTS

The Company's principal financial instruments comprise available for sale investments, cash and cash equivalents, trade receivables and other receivables and trade and other payables. The Company's accounting policies and methods adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are set out in note 1 - "accounting policies". The Company does not use financial instruments for speculative purposes.

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

FINANCIAL ASSETS BY CATEGORY

The IAS 39 categories of financial assets included in the balance sheet and the headings in which they are included are as follows:

	2012 £	2011 £
Available for sale investments	135,075	-
Trade and other receivables	12,872	3,026
Cash and cash equivalents	650	195,969
	148,597	198,995

FINANCIAL LIABILITIES BY CATEGORY

The IAS 39 categories of financial liability included in the balance sheet and the headings in which they are included are as follows:

	2012 £	2011 £
Trade and other payables	73,941	3,493
	73,941	3,493

RISK MANAGEMENT

The Company's exposure to financial risks is limited to capital risk, interest rate risk, credit risk, and liquidity risk.

The Company's overall risk management programme seeks to minimise potential adverse effects on the financial performance of the Company. The Company has not entered into derivatives transactions and does not trade in financial instruments as a matter of policy.

Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Company's finance department.

CAPITAL RISK MANAGEMENT

The Company is currently financed solely through equity and manages its capital to ensure that it has sufficient financial resources to implement its planned operations while maximising the return to stakeholders.

INTEREST RATE RISK

As the Company is solely equity financed the only interest rate risk arises on cash balances. No sensitivity analysis has been presented as the effect of reasonably possible movements are not material.

15. FINANCIAL INSTRUMENTS (continued)

CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company's exposure and the credit ratings of its counterparties are monitored by the board of directors to ensure that the aggregate value of transactions is spread amongst approved counterparties.

The Company's principal financial assets are available for sale investments, cash and cash equivalents, and other receivables. Cash equivalents include amounts held on deposit with financial institutions.

The credit risk on liquid funds held in current accounts and available on demand is limited because the Company's counterparties are mainly banks with high credit-ratings assigned by international credit-rating agencies.

The maximum exposure to credit risk at 30 September 2012 was £650 (2011: £195,969)

LIQUIDITY RISK

Liquidity risk is managed through an assessment of short, medium and long-term cash flow forecasts to ensure the adequacy of working capital. Short-term liquidity is managed through short-term deposits. Trade and other payables are all payable within six months and the Company's policy is to ensure that it always has sufficient cash to allow it to meet its liabilities when they become due.

MARKET PRICE RISK

The Company's exposure to market price risk mainly arises from movements in the fair value of its investments. If the Company's equity investments were to experience a rise or fall of 10% in their fair value, this would result in the Company's net asset value and statement of comprehensive income increasing or decreasing by £13,500 (2011: £nil).

16. CAPITAL COMMITMENTS

The Company had no capital commitments as at 30 September 2012 and 30 September 2011.

17. CONTINGENCIES

The Company had no significant contingent liabilities identified as at 30 September 2012 and 30 September 2011.

18. RELATED PARTY TRANSACTIONS

Key management personnel are considered to be the directors and their emoluments are included in note 4.

The income statement includes charges from Welbeck Associates Ltd totalling £11,183 in respect of accounting and secretarial services. Jonathan Bradley-Hoare is a director of Welbeck Associates Ltd.

The Company has a shareholding representing less than 1% of the equity in Stratmin Global Resources plc, a company of which Gobind Sahney is a director.

19. POST BALANCE SHEET EVENTS

There have been no material post balance sheet events.