

OC 357946

Commonwealth Capital Management LLP

Report And Financial Statements

31 December 2011

THURSDAY



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COMPANIES HOUSE

INFORMATION

Designated Members

M D Mattoo
E A M Hands
C Barrazone

LLP Members

J G Taylor
N Fragopanagos
N Taylor
M Mather
Commonwealth Asset Management (UK) Ltd
31SJP Investments Limited

Registered office

31 St James's Place
London
SW1A 1NR

Auditors

Rees Pollock
35 New Bridge Street
London
EC4V 6BW

LLP registered number

OC357946

MEMBERS' REPORT

For the period ended 31 December 2011

The members present their annual report together with the audited financial statements of Commonwealth Capital Management LLP (the LLP) for the period ended 31 December 2011

Principal activities

The LLP was incorporated on 16 September 2010, received FSA authorisation on to carry regulated activities on 2 June 2011 and commenced trading on that date

The principal activity of the LLP during the period was that of investment management

Designated Members

M D Mattoo (appointed 16 September 2010)

E A M Hands (appointed 16 September 2010)

C Barrazone (appointed 23 December 2010)

Members' capital and interests

Members share profits and losses in accordance with agreed profit sharing agreements

Members' capital is determined by the regulatory capital requirements of the FSA and any trading needs of the LLP
Members' capital is not repayable except where allowed under FSA rules

Pillar III disclosures

The firm has documented the disclosures required by the FSA under BIPRU 11. These are available from www.commonwealthcapital.co.uk/regulatory.htm

Members' responsibilities statement

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law, as applied to LLPs, requires the members to prepare financial statements for each financial year. Under that law the members 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, as applied to LLPs, the members 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting 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 LLP will continue in business

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the entity's transactions and disclose with reasonable accuracy at any time the financial position of the LLP 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 LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Provision of information to auditors

Each of the persons who is a member at the date of approval of this annual report confirms that

MEMBERS' REPORT (continued)

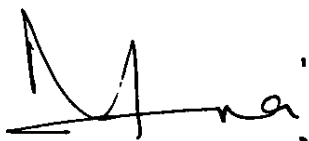
For the period ended 31 December 2011

- so far as the member is aware, there is no relevant audit information of which the LLP's auditors are unaware, and
- the member has taken all steps that he ought to have taken as a member to make himself aware of any relevant audit information and to establish that the auditors are aware of that information

Auditors

The auditors, Rees Pollock, have indicated their willingness to continue in office. The designated members will propose a motion re-appointing the auditors at a meeting of the members.

This report was approved by the members on 3 April 2012 and signed on their behalf, by



MD Mattoo
Designated member



REESPOLLOCK

Chartered Accountants

35 New Bridge Street
London EC4V 6BW
Telephone 020 7778 7200
Fax 020 7329 6408
www.reespollock.co.uk

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMONWEALTH CAPITAL MANAGEMENT LLP

We have audited the financial statements of Commonwealth Capital Management LLP for the period ended 31 December 2011 set out on pages 5 to 12. 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 LLP's members in accordance with the Companies Act 2006 as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the Members' Responsibilities Statement, the members 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 LLP's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the designated members and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' 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 LLP's affairs as at 31 December 2011 and of its loss for the period 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 as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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 as applied to limited liability partnerships 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
- we have not received all the information and explanations we require for our audit.

Jonathan Munday (Senior Statutory Auditor)
for and on behalf of
Rees Pollock, Statutory Auditor

11 April 2012

Commonwealth Capital Management LLP

PROFIT AND LOSS ACCOUNT

For the period ended 31 December 2011

	Note	2011 £
Administrative expenses		(209,433)
OPERATING LOSS	3	<u>(209,433)</u>
LOSS FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		<u><u>(209,433)</u></u>

All amounts relate to continuing operations

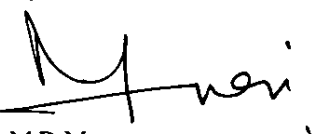
There were no recognised gains and losses for 2011 other than those included in the profit and loss account

The notes on pages 8 to 12 form part of these financial statements

BALANCE SHEET
As at 31 December 2011

	Note	£	2011 £
FIXED ASSETS			
Tangible assets	7		15,156
CURRENT ASSETS			
Debtors	8	213,906	
Cash at bank		81,775	
		<u>295,681</u>	
CREDITORS: amounts falling due within one year	9	(30,202)	
		<u>265,479</u>	
NET CURRENT ASSETS			<u>265,479</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>280,635</u></u>
 REPRESENTED BY:			
Equity			
Members' capital classified as equity under FRS 25		490,068	
Other reserves		(209,433)	
		<u>280,635</u>	<u>280,635</u>
 TOTAL MEMBERS' INTERESTS			
Amounts due from members (included in debtors)			(196,500)
Members' other interests			<u>280,635</u>
	10		<u>84,135</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 3 April 2012



M D Mattoo
Designated member

The notes on pages 8 to 12 form part of these financial statements

CASH FLOW STATEMENT

For the period ended 31 December 2011

	Note	2011 £
Net cash flow from operating activities	12	(190,240)
Capital expenditure and financial investment	13	(21,553)
Net cash flow from transactions with members	13	293,568
INCREASE IN CASH IN THE PERIOD		<u>81,775</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

For the period ended 31 December 2011

	2011 £
Increase in cash in the period	<u>81,775</u>
MOVEMENT IN NET FUNDS IN THE PERIOD	<u>81,775</u>
NET FUNDS AT 31 DECEMBER 2011	<u>81,775</u>

The notes on pages 8 to 12 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 December 2011

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships"

1.2 Going concern

The LLP has a satisfactory capital position and as a consequence the members believe that the LLP is well placed to manage its business risks successfully despite the current uncertain economic outlook. The members have prepared cash flow forecasts which, taking account of reasonably possible changes in trading performance and further committed funding, indicate that the business should be able to meet its liabilities as they fall due for a period of at least 12 months from the date of signing of these financial statements.

The members therefore have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have adopted the going concern assumption in the preparation of the annual report and accounts.

1.3 Turnover

Turnover comprises revenue recognised by the LLP in respect of services supplied during the period, exclusive of value added tax.

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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	3 years - straight line
Computer equipment	-	3 years - straight line

1.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1.6 Tax provision

The taxation payable on profits is the liability of the members during the year.

1.7 Members' profit allocations

A members' share in the profit or loss for the year is accounted for as an allocation of profits. Unallocated profits and losses are included within 'other reserves'.

2 TURNOVER

No turnover was derived in the period.

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 December 2011

3 OPERATING LOSS

The operating loss is stated after charging

	2011
	£
Depreciation of tangible fixed assets - owned by the LLP	6,397
Difference on foreign exchange	392
	<u>6,789</u>

4. AUDITORS' REMUNERATION

	2011
	£
Fees payable to the LLP's auditor for the audit of the LLP's annual accounts	6,250
	<u>6,250</u>

5 STAFF COSTS

The entity has no employees other than the members, who did not receive any remuneration

6 INFORMATION IN RELATION TO MEMBERS

	2011
	Number
The average number of members during the year was	9
	<u>9</u>

7 TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Total £
Cost			
Additions	6,158	15,395	21,553
At 31 December 2011	<u>6,158</u>	<u>15,395</u>	<u>21,553</u>
Depreciation			
Charge for the period	1,788	4,609	6,397
At 31 December 2011	<u>1,788</u>	<u>4,609</u>	<u>6,397</u>
Net book value			
At 31 December 2011	<u>4,370</u>	<u>10,786</u>	<u>15,156</u>

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 December 2011

8. DEBTORS

	2011 £
Other debtors	474
Prepayments and accrued income	16,932
Amounts due from members (note 11)	196,500
	<u>213,906</u>

9. CREDITORS:
Amounts falling due within one year

	2011 £
Trade creditors	4,116
Accruals and deferred income	26,086
	<u>30,202</u>

10. RECONCILIATION OF MEMBERS' INTERESTS

	Members' capital (classified as equity) £	Other reserves £	Total members' other interests £	Loans and debts due to members less any amounts due from members in debtors £	Total £
Loss for the period available for discretionary division among members	-	(209,433)	(209,433)	-	(209,433)
Members' interests after loss for the period	-	(209,433)	(209,433)	-	(209,433)
Amounts withdrawn by members	-	-	-	(196,500)	(196,500)
Capital amounts introduced by members	490,068	-	490,068	-	490,068
Members' interests at 31 December 2011	<u>490,068</u>	<u>(209,433)</u>	<u>280,635</u>	<u>(196,500)</u>	<u>84,135</u>

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 December 2011

11 LOANS AND OTHER DEBTS DUE FROM MEMBERS

	2011
	£
Amounts due from LLP members in respect of amounts drawn in advance of allocated profits	196,500
	<u>196,500</u>
Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up	

12 NET CASH FLOW FROM OPERATING ACTIVITIES

	2011
	£
Operating loss	(209,433)
Depreciation of tangible fixed assets	6,397
Increase in debtors	(17,406)
Increase in creditors	30,202
	<u>(190,240)</u>
Net cash outflow from operating activities	(190,240)

13. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2011
	£
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(21,553)
	<u>(21,553)</u>

	2011
	£
Transactions with members	
Payments to members	(196,500)
Contributions by members	490,068
	<u>293,568</u>
Net cash inflow from transactions with members	293,568

14 ANALYSIS OF CHANGES IN NET DEBT

	16 September 2010	Cash flow	31 December 2011
	£	£	£
Cash at bank and in hand	-	81,775	81,775
	<u>-</u>	<u>81,775</u>	<u>81,775</u>
Net funds	-	81,775	81,775
	<u>-</u>	<u>81,775</u>	<u>81,775</u>

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 December 2011

15 RELATED PARTY TRANSACTIONS

During the period, the LLP paid administrative expenses of £31,781 on behalf of Commonwealth Global Investments Segregated Portfolio, the fund to which the LLP is adviser and which is based in the Cayman Islands. Furthermore, the LLP paid administrative expenses of £5,767 on behalf of Commonwealth Asset Management Limited, which is a company based in the Cayman Islands and which wholly owns Commonwealth Asset Management (UK) Limited, which in turn is a member of the LLP.