

AMIAS BERMAN & CO LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2011

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AMIAS BERMAN & CO LLP
General Information

DESIGNATED MEMBERS: Charlie Berman

REGISTERED OFFICE. 21 Great Winchester Street
London
EC2N 2JA

INDEPENDENT AUDITORS: PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

EXECUTIVE COMMITTEE: Charlie Berman
Jeremy Amias – non member

AMIAS BERMAN & CO LLP

Report to the Members for the year ended 31 March 2011

The members present their report with the audited financial statements of Amias Berman & Co LLP (the Partnership) for the year ending 31 March 2011

PRINCIPAL ACTIVITIES

Amias Berman & Co LLP was incorporated on 2 June 2009 as a limited liability partnership domiciled in the United Kingdom. The principal activity of Amias Berman & Co LLP for the year was fixed income brokerage and advisory services which is regulated by the Financial Services Authority (FSA) in the United Kingdom, registration number OC346099. The Amias Berman group of companies (the Group) consists of Amias Berman Holdings Pte Ltd, the Partnership's ultimate parent company incorporated in Singapore and its subsidiary undertakings.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

Since inception in June 2009 and receiving FSA approval in October 2009, Amias Berman & Co LLP has been building a firm basis for the future growth of its business. As at 31 March 2011, the Partnership had 15 members engaged in revenue generation activities, with the assistance of 5 employees of other Group companies, and has completed the on-boarding process for more than 400 clients.

In the year to 31 March 2011, the founders reviewed the strategic direction of the Partnership and determined that its distinctive and core business proposition is the electronic buy-side to buy-side investor order-matching "trading platform" known as "abco". Launched late in 2010 this has attracted the attention and participation of a number of significant buy-side investors most of whom never deal with simple voice-only agency brokers. Trades have been executed between these major players using or stimulated by the system and it is now a functioning platform and not merely a concept. Trades executed to date have illustrated the Partnership's ability to secure electronically executable transactions, to implement them effectively, and to win repeat business.

The Partnership has taken the decision to roll-out the next generation of its fixed-income electronic trading platform, and during the year has started the development of "abco 2". This will incorporate a number of new features, devised taking into account detailed feedback and suggestions from institutional investors, which will enhance the effectiveness to clients of trading in this manner.

As of 1 April 2011, all personnel in the Partnership are exclusively focused on activities that directly promote the development of electronic trading of fixed income securities. Business lines not associated with that trading model have been closed, members of staff in those business lines have left the business and there are now 7 partners engaged in revenue generation activities with the assistance of 8 employees of other Group companies.

The results for the year and financial position of Amias Berman & Co LLP are as shown in the annexed financial statements.

KEY PERFORMANCE INDICATORS

The business forecasts revenues and costs out to end-March 2016. The forecast highlights numbers monthly through April 2013 and annually beyond that date. These figures will be used as the key indicators of the business' ongoing performance.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks to which the business is exposed are detailed in note 2. In summary they consist of:

Foreign exchange risk – arising from administrative and other expenses and remittance of funds in currencies other than the Partnership's functional currency (GBP), principally Euros. It is not Group policy to hedge such foreign exchange exposures, therefore, the Partnership remains exposed to these transactional exposures but only for a short period of time – that between the execution of a foreign currency trade and its settlement.

Interest rate risk – arising from cash and cash equivalents where changes in market rates can have an adverse impact on cash flows and income streams. Interest rate risk is monitored at the Group level. Limits are in place to restrict the amount that can be invested at one institution and all investments must be credit rated AA or above and be for less than 18 months.

Credit risk – the potential that a counterparty is unable or unlikely to perform on an obligation resulting in a loss for the Partnership. This risk is limited given the matched principal nature of the business and the use of Pershing Securities Limited as the Model B clearer.

Liquidity risk – the cash position of the Partnership is managed on a weekly basis.

Principal uncertainties to which the business is exposed are around the success of the second generation of its trading platform. To mitigate any build and deployment uncertainties, suitable commercial arrangements are in place with key third parties to ensure that delivery and operation of the platform is completed to time and cost. The cost base of the

AMIAS BERMAN & CO LLP

Report to the Members for the year ended 31 March 2011

platform initially is low and will not grow substantially unless and until increased trade volumes and therefore revenues drive the need for increased capacity or complexity

DESIGNATED MEMBERS

The designated members of the Partnership, who held office during the year, were

Charlie Berman - 500 voting interest (appointed 1 October 2009)

Paul Thompson resigned as a designated member and a partner on the 31 December 2010

The overall policy of the Amias Berman & Co LLP regarding members' distributions and the policy regarding subscription and repayment of members' capital is set out in the Limited Liability Partnership Deed dated 1 October 2009

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The loss for the year was £2,904,000 (2010 £1,751,000) The loss for the year has been completely allocated to the members

MEMBERS' INTERESTS

Details of members' interests are set out in note 11 to the financial statements

GOING CONCERN

The Partnership's forecasts and projections, taking account of reasonably possible changes in trading performance and the financial support provided by its ultimate parent, Amias Berman Holdings Pte Limited, and commitments provided by its shareholders, show that the Partnership has adequate resources to continue in operational existence for the foreseeable future. As such the members continue to adopt the going concern basis of accounting in preparing the annual financial statements

EVENTS AFTER THE REPORTING PERIOD

The business strategy has been refocused since the year end, with the business now solely concentrated on voice-facilitated, electronic agency brokerage of fixed income securities. The Partnership has a strategic plan to build closer business collaboration with Marex Financial Limited (Marex). Marex has taken a 9.9% stake in the Partnership's ultimate parent undertaking, Amias Berman Holdings Pte Ltd, and Amias Berman staff in London will move to space in the Marex office from 1 August 2011 allowing the Partnership's Great Winchester Street offices to be sublet.

STATEMENT OF MEMBERS' RESPONSIBILITIES

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations") requires the members to prepare financial statements for each financial year. Under that law the members have prepared the Partnership's financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law as applied to limited liability partnerships 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 Partnership and of the profit or loss of the Partnership for that year. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed subject to any material departures disclosed and explained in the financial statements, and to
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership and Group will continue in business

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

AMIAS BERMAN & CO LLP

Report to the Members for the year ended 31 March 2011

PROVISION OF INFORMATION TO THE AUDITORS

So far as the members are aware, there is no relevant audit information of which the Partnership's auditors are unaware, and each member has taken all the steps they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information

INDEPENDENT AUDITORS

The Partnership's auditors, PricewaterhouseCoopers LLP, were appointed on 8 March 2010 and have indicated their willingness to continue in office

ON BEHALF OF THE MEMBERS

A handwritten signature in black ink, appearing to be 'Charlie Berman', with a long, wavy horizontal line extending to the right.

Charlie Berman
Designated member
28 July 2011

AMIAS BERMAN & CO LLP

Independent Auditors' Report to the members of Amias Berman & Co LLP

We have audited the financial statements of Amias Berman & Co LLP for the year ended 31 March 2011 which comprise the Balance Sheet, Income Statement, Cash Flow Statement, the Statement of Changes in Members' Equity 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.

Respective responsibilities of members and auditors

As explained more fully in the Statement of Members' Responsibilities set out on page 4, 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.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the limited liability partnership'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 Report to the Members for the year ended 31 March 2011 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 limited liability Partnership's affairs as at 31 March 2011 and of its loss and cash flows for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, 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.

AMIAS BERMAN & CO LLP

Independent Auditors' Report to the members of Amias Berman & Co LLP

Emphasis of matter

Without qualifying our opinion we draw attention to note 1 of the financial statements. During the current financial year ended 31 March 2011 the Partnership incurred significant losses of £2,904,000 and management expect the business to continue to be loss making for at least the next 12 months. The financial statements have been prepared on a going concern basis as the Partnership's ultimate parent, Amias Berman Holdings Pte Limited and its shareholders, have confirmed their present intention and ability to provide financial support to the Partnership to meet its obligations as and when they fall due. In forming our opinion, we have considered the adequacy of the disclosures of the above matter in the financial statements.



Carl Sizer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
28 July 2011

AMIAS BERMAN & CO LLP
Income Statement for the year ended 31 March 2011

	<u>Note</u>	<u>Year ended 31/3/2011 £'000</u>	<u>Period ended 31/3/2010 £'000 (restated)</u>
Revenue	1d	2,729	1,638
Operating costs	4	(1,907)	(1,780)
Administrative expenses	5	(3,727)	(1,611)
Operating loss		(2,905)	(1,753)
Finance income	7	1	2
Loss for the year attributable to members		<u>(2,904)</u>	<u>(1,751)</u>

Operating loss is derived from continuing operations for the year

There is no other comprehensive income for the year

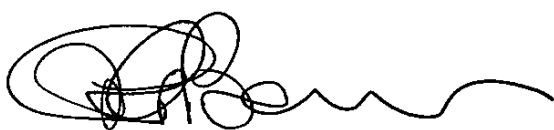
The notes on pages 12 to 20 are an integral part of these financial statements

AMIAS BERMAN & CO LLP
Balance Sheet as at 31 March 2011

	<u>Note</u>	<u>As at</u> <u>31/3/2011</u> £'000	<u>As at</u> <u>31/03/2010</u> £'000
Current assets			
Trade and other receivables	8	1,153	1,360
Cash and cash equivalents	9	26	1,623
Total assets		<u>1,179</u>	<u>2,983</u>
Current liabilities			
Payables	10	(39)	(664)
Total liabilities		<u>(39)</u>	<u>(664)</u>
Net assets		<u>1,140</u>	<u>2,319</u>
Members' equity			
Members' capital		5,795	4,070
Reserves		(4,655)	(1,751)
Total members' equity	11	<u>1,140</u>	<u>2,319</u>

The notes on pages 12 to 20 are an integral part of these financial statements

The financial statements on pages 8 to 20 were approved by the board of members on 28 July 2011 and were signed on its behalf by



Charlie Berman
Designated member
28 July 2011

AMIAS BERMAN & CO LLP

Statement of Changes in Members' Equity as at 31 March 2011

	<u>Members</u> <u>Capital</u> £'000	<u>Reserves</u> £'000	<u>Total</u> £'000
As at 2 June 2009	-	-	-
Capital contributions for the period	4,070	-	4,070
Loss for the period (restated)		(1,751)	(1,751)
Members' equity as at 31 March 2010	4,070	(1,751)	2,319
Capital contributions during the year	1,725	-	1,725
Loss for the year	-	(2,904)	(2,904)
Members' equity as at 31 March 2011	<u><u>5,795</u></u>	<u><u>(4,655)</u></u>	<u><u>1,140</u></u>

The notes on pages 12 to 20 are an integral part of these financial statements

AMIAS BERMAN & CO LLP
Cash Flow Statement for the year ended 31 March 2011

	<u>Note</u>	<u>Year ended 31/3/2011 £'000</u>	<u>Period ended 31/3/2010 £'000 (restated)</u>
Cash flows from operating activities			
Loss for the year		(2,904)	(1,751)
Finance income		(1)	(2)
Operating cash flows before movements in working capital		<u>(2,905)</u>	<u>(1,753)</u>
Decrease/(increase) in trade and other receivables		207	(1,360)
(Decrease)/increase in trade and other payables		(625)	664
Operating cash flows after movements in working capital		<u>(3,323)</u>	<u>(2,449)</u>
Net cash used in operating activities		<u>(3,323)</u>	<u>(2,449)</u>
Cash flows from investing activities			
Interest received		1	2
Net cash from investing activities		<u>1</u>	<u>2</u>
Cash flows from financing activities			
Capital contribution by members		1,725	4,070
Net cash from financing activities		<u>1,725</u>	<u>4,070</u>
Net (decrease)/increase in cash and cash equivalents		<u>(1,597)</u>	<u>1,623</u>
Net cash and cash equivalents at end of the year	9	<u>26</u>	<u>1,623</u>

The notes on pages 12 to 20 are an integral part of these financial statements

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2011

1 PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), IFRIC Interpretations and with those parts of the Companies Act 2006 applicable to limited liability partnerships reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

b) Prior year restatement

Amounts distributed to members of Amias Berman & Co LLP of £1,674,000 in the prior year have been reclassified to operating costs from members' distributions to more accurately reflect the substance of the payments as employee costs as opposed to members' drawings from equity.

c) Recent accounting developments

There are no new standards or amendments to standards that are mandatory for the first time for the financial year beginning 1 April 2010 that are considered relevant to the Partnership.

The following new standards and amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 April 2010 and have not been early adopted by the Partnership:

– Revised IAS24 'Related Party Disclosures' was issued in November 2009 and is required to be applied for accounting periods on or after 1 January 2011. It supersedes IAS24 'Related Party Disclosures' issued in 2003.

– IFRS9 'Financial Instruments' addresses clarification and measurement of financial assets, as the first phase of the replacement of IAS39 'Financial Instruments: Recognition and Measurement' and is effective for annual periods beginning after 1 January 2013, subject to EU endorsement.

The impact on the Partnership's financial statements of the future adoption of these standards is still under review.

d) Revenue

Revenue comprises commission from the brokerage of matched principal transactions and advisory services.

Matched Principal

To represent the substance of matched principal services provided by the Partnership, where it acts as principal for the simultaneous purchase and sale of securities to third parties, commission income represents the differential between the consideration received on the sale of the security and its purchase price. All positions are given up by the Partnership to Pershing Securities Limited, a clearing house. Revenue is recognised on trade date.

Advisory

The experience of the members' allows Amias Berman & Co LLP to advise the restructuring of certain notes to third parties at a nominal flat fee which are recognised on invoice date.

e) Foreign currencies

Transactions denominated in foreign currencies are translated into the functional currency (GBP) at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Exchange differences are taken to the income statement.

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2011

1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

f) Trade receivables

Trade receivables are recognised initially on trade date or invoice date at fair value and are subsequently measured at amortised cost using the effective interest method, less provision for impairment

g) Debt provisioning

Provisions are made for specific debts when it is considered that the creditworthiness of the debtor has deteriorated such that the recovery of all or part of a debt is in serious doubt

A provision is made in respect of potential losses which are judged to be present in debtor balances at the balance sheet date but which will not be identified as such until sometime in the future. The level of provision is based upon the previous experience of such losses in the Partnership and is reviewed on a periodic basis. The appropriateness of the provision is periodically assessed against any actual losses that have arisen. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. All provisions are recorded within administrative expenses in the income statement

h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments which are subject to insignificant risk of change in fair value and are readily convertible into a known amount of cash with less than three months maturity

i) Going Concern

The Partnership's forecasts and projections, taking account of reasonably possible changes in trading performance and the financial support provided by its ultimate parent, Amias Berman Holdings Pte Limited, and commitments provided by its shareholders, show that the Partnership has adequate resources to continue in operational existence for the foreseeable future. As such the members continue to adopt the going concern basis of accounting in preparing the annual financial statements

2 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Partnership's activities expose it to a variety of financial risks, including market risk, interest rate, foreign exchange and credit risk. The overall financial risk management framework, strategy and policies of the Partnership are determined by the board of its parent company, Amias Berman Holdings Pte Limited, and of its related members

Financial assets and liabilities

The Partnership's financial assets are classified as loans and receivables

	<u>As at</u> <u>31/3/2011</u>	<u>As at</u> <u>31/3/2010</u>
	<u>£'000</u>	<u>£'000</u>
Financial assets		
Trade and other receivables	1,153	1,360
Cash and cash equivalents	26	1,623
	<u>1,179</u>	<u>2,983</u>

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2011

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

The Partnership's financial liabilities are measured at amortised cost

	<u>As at</u> <u>31/3/2011</u>	<u>As at</u> <u>31/3/2010</u>
	<u>£'000</u>	<u>£'000</u>
Financial liabilities		
Payables	<u>39</u>	<u>664</u>

a) *Market risk*

Foreign exchange risk

The Partnership is exposed to both transactional and translational fluctuations in the value of financial instruments due to exchange rate movements

Transactional exposure arises from administrative and other expenses and remittance of funds in currencies other than the Partnership's functional currency (GBP), principally Euros. It is not Group policy to hedge such foreign exchange exposures using derivative financial instruments, therefore, the Partnership remains exposed to these transactional exposures

As at 31 March 2011, Amias Berman & Co LLP had no exposure to foreign currency

The table below summarises the Partnership's exposure to concentrations of foreign currencies as at 31 March 2011

	<u>USD</u> <u>£'000</u>	<u>EUR</u> <u>£'000</u>	<u>HKD</u> <u>£'000</u>	<u>GBP</u> <u>£'000</u>	<u>Total</u> <u>£'000</u>
Assets					
Trade and other receivables	-	-	-	1,153	1,153
Cash and cash equivalents	-	-	-	26	26
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,179</u>	<u>1,179</u>
Liabilities					
Payables	-	-	-	(39)	(39)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39)</u>	<u>(39)</u>
Net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,140</u>	<u>1,140</u>

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2011

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

The table below summarises the Partnership's exposure to concentrations of foreign currencies as at 31 March 2010

	<u>USD</u> £'000	<u>EUR</u> £ 000	<u>HKD</u> £'000	<u>GBP</u> £'000	<u>Total</u> £'000
Assets					
Trade and other receivables	110	366	-	884	1,360
Cash and cash equivalents	-	-	-	1,623	1,623
	<u>110</u>	<u>366</u>	<u>-</u>	<u>2,507</u>	<u>2,983</u>
Liabilities					
Payables	-	-	(146)	(518)	(664)
	<u>-</u>	<u>-</u>	<u>(146)</u>	<u>(518)</u>	<u>(664)</u>
Net assets	<u>110</u>	<u>366</u>	<u>(146)</u>	<u>1,989</u>	<u>2,319</u>

Interest rate risk

The Partnership interest rate risk arises from cash and cash equivalents where changes in market rates can have an adverse impact on cash flows and income streams. Interest rate risk is monitored at the Group level. Limits are in place to restrict the amount that can be invested at one institution and all investments must be credit rated AA or above and be for less than 18 months.

The Partnership estimates that an increase of 1% in interest rates would have an immaterial impact to the Partnership's income statement and equity.

As at 31 March 2011 there were no instruments with a contracted maturity or re-pricing date in excess of 18 months.

The Partnership's interest rate profile as at 31 March 2011 was as follows:

	<u>None</u> £'000	<u>Fixed</u> £'000	<u>As at 31/3/2011</u> <u>Variable</u> £'000	<u>Total</u> £'000
Assets				
Trade and other receivables	1,153	-	-	1,153
Cash and cash equivalents	-	-	26	26
	<u>1,153</u>	<u>-</u>	<u>26</u>	<u>1,179</u>
Liabilities				
Payables	(39)	-	-	(39)
	<u>(39)</u>	<u>-</u>	<u>-</u>	<u>(39)</u>

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2011

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

The Partnership's interest rate profile as at 31 March 2010 was as follows

	None £'000	As at 31/3/2010		Total £'000
		Fixed £'000	Variable £'000	
Assets				
Trade and other receivables	1,360	-	-	1,360
Cash and cash equivalents	-	-	1,623	1,623
	<u>1,360</u>	<u>-</u>	<u>1,623</u>	<u>2,983</u>
	<u><u>1,360</u></u>	<u><u>-</u></u>	<u><u>1,623</u></u>	<u><u>2,983</u></u>
Liabilities				
Payables	(518)	-	(146)	(664)
	<u>(518)</u>	<u>-</u>	<u>(146)</u>	<u>(664)</u>
	<u><u>(518)</u></u>	<u><u>-</u></u>	<u><u>(146)</u></u>	<u><u>(664)</u></u>

Price risk

The Partnerships exposure to market price risk mainly arises through counterparties to matched principal and exchange traded transactions failing to fulfill their obligations or through trade mismatches and other errors. As at 31 March 2011 there were no unmatched positions and therefore no exposure to price risk.

b) *Credit risk*

Credit risk arises from the potential that a counterparty is unable or unlikely to perform on an obligation resulting in a loss for the Partnership. The Partnership's exposure to credit risk is limited since it acts as an intermediary whereby business is transacted on a matched principal basis and given up by the Partnership to Pershing Securities Limited. All counterparties are subject to regular review and assessment by management.

The Partnership has no significant concentrations of credit risk and the maximum exposure is limited to trade and other receivables (note 8) and cash and cash equivalents (note 9).

c) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and ensuring the availability of funding through an adequate amount of committed credit. This is important to ensure that the Partnership can meet all present and future financial obligations as they fall due and comply with regulatory requirements. The Partnership manages its cash position on a weekly basis ensuring that the Partnership has sufficient resources to finance their operations.

	<u>On demand</u>	<u>Total</u>
31 March 2011	£'000	£'000
Liabilities		
Payables	(39)	(39)
	<u>(39)</u>	<u>(39)</u>
	<u><u>(39)</u></u>	<u><u>(39)</u></u>

AMIAS BERMAN & CO LLP
Notes to the financial statements for the year ended 31 March 2011

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

	<u>On demand</u>	<u>Total</u>
31 March 2010	£'000	£'000
Liabilities		
Payables	(664)	(664)
	<u>(664)</u>	<u>(664)</u>

d) Fair values

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair values of financial instruments are determined as per the Partnership's accounting policies above.

As at 31 March 2011 there were no assets or liabilities whose carrying value was not a reasonable approximation of its fair value, due to their short term nature.

e) Capital management

The Partnership is regulated on a stand-alone basis by the Financial Services Authority (FSA) under the EU Capital Requirements Directive. Working capital is reviewed on a monthly basis by management and capital is injected by the members of the Partnership to meet FSA requirements as and when necessary.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Partnership makes various judgments in applying its accounting policies and various assumptions and estimates, including about the future, when determining the carrying value of certain assets and liabilities. As at 31 March 2011 there were no such judgments or assumptions that had a significant effect on the amounts recognised in the financial statements, or a significant risk of causing material adjustment to the carrying amounts of assets and liabilities in the next financial year.

The Partnership considers Great British Pounds ("GBP") the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. GBP is the currency in which the Partnership measures its performance and reports its results.

4 OPERATING COSTS

	<u>Year ended</u> <u>31/3/2011</u> £'000	<u>Period ended</u> <u>31/3/2010</u> £'000 (restated)
Staff costs	1,907	1,780

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2011

5 ADMINISTRATIVE EXPENSES

	<u>Year ended</u> <u>31/3/2011</u> £'000	<u>Period ended</u> <u>31/3/2010</u> £'000
Administrative expenses	1,227	495
Management recharge (note 12)	1,652	963
Foreign exchange (gain)/loss	(16)	3
Recharge to fellow subsidiary undertakings (note 12)	864	150
	<u>3,727</u>	<u>1,611</u>

Management recharge includes auditor's remuneration in the UK of £43,600

6 INFORMATION IN RELATION TO MEMBERS

	<u>Year ended</u> <u>31/3/2011</u> £'000	<u>Period ended</u> <u>31/3/2010</u> £'000
The number of members during the year was	<u>16</u>	<u>15</u>

There were no employees during the year

Out of the 16 members, 15 are individual members engaged in revenue generating activities and 1 is a corporate member, namely Amias Berman (UK) Limited

7 FINANCE INCOME

	<u>Year ended</u> <u>31/3/2011</u> £ 000	<u>Period ended</u> <u>31/3/2010</u> £ 000
Interest income on deposits	<u>1</u>	<u>2</u>

8 TRADE AND OTHER RECEIVABLES

	<u>As at</u> <u>31/3/2011</u> £'000	<u>As at</u> <u>31/3/2010</u> £'000
Current		
Prepayments	86	116
Trade receivables	192	494
Other	390	400
Amounts owed by fellow subsidiaries of related members	485	350
	<u>1,153</u>	<u>1,360</u>

As at 31 March 2011 there were no trade receivables past their normal settlement date

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2011

9 CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with original maturity of less than 90 days

	<u>As at</u> <u>31/3/2011</u> £'000	<u>As at</u> <u>31/3/2010</u> £'000
Cash at bank and in hand	26	1,623

10 PAYABLES

	<u>As at</u> <u>31/3/2011</u> £'000	<u>As at</u> <u>31/3/2010</u> £'000
Amounts owed to fellow subsidiaries of related members	2	159
Accruals	37	505
	<u>39</u>	<u>664</u>

11 MEMBERS' EQUITY

The corporate member (note 6) has contributed £5,710,000 with 1,000 voting interest. All other members' have contributed £5,000 towards capital with 1 voting interest each with the exception to Charlie Berman, who has 500 voting interest.

12 RELATED PARTY TRANSACTIONS

The Partnership entered into the following transactions with related parties who are members of the Group

	<u>Year ended</u> <u>31/3/2011</u> £'000	<u>Period ended</u> <u>31/3/2010</u> £'000
Cost of management services received		
Amias Berman (UK) Limited	1,652	963
Cost of revenues recharged		
Amias Berman (HK) Limited	864	150

Amias Berman (UK) Limited (corporate member) provides management services to the Partnership for back office support and recharges this to the Partnership at cost plus 5 % (note 5)

During the year, Amias Berman (HK) Limited, a fellow subsidiary of the Group, has operated an introducing broker agreement with the Partnership. Revenue of £864,000 was brokered through this agreement. The full amount was remitted back to Amias Berman (HK) Limited and is disclosed in administrative expenses (note 5)

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2011

12 RELATED PARTY TRANSACTIONS (CONTINUED)

The Partnership had the following outstanding balances owed to related parties

	<u>As at</u> <u>31/3/2011</u> £'000	<u>As at</u> <u>31/3/2010</u> £'000
ICAP Management Services Limited	-	13
Amias Berman (HK) Limited	2	146
	<u>2</u>	<u>159</u>

The Partnership had the following outstanding balances owed by related parties who are members of the Group

	<u>As at</u> <u>31/3/2011</u> £'000	<u>As at</u> <u>31/3/2010</u> £'000
Parent undertaking		
Amias Berman (UK) Limited	485	350
	<u>485</u>	<u>350</u>

All balances are unsecured, non-interest bearing and have no fixed terms of repayment

Ultimate parent undertaking and controlling party

The immediate parent undertaking is Amias Berman (UK) Limited. The ultimate parent undertaking and controlling party is Amias Berman Holdings Pte Ltd, a company incorporated in Singapore.

Amias Berman Holdings Pte Ltd is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 March 2011. The consolidated financial statements of Amias Berman Holdings Pte Ltd are available from 1 Temasek Avenue, #27-01 Millenia Tower, Singapore 039192.

Remuneration of key management personnel

Key management are considered to be the designated members of the Partnership. Staff costs consist of remuneration paid to all members of the Partnership, and are disclosed in note 4.

13 EVENTS AFTER THE REPORTING PERIOD

The business strategy has been refocused since the year end, with the business now solely concentrated on voice-facilitated, electronic agency brokerage of fixed income securities. The Partnership has a strategic plan to build closer business collaboration with Marex Financial Limited (Marex). Marex has taken a 9.9% stake in the Partnership's ultimate parent undertaking, Amias Berman Holdings Pte Ltd, and Amias Berman staff in London will move to space in the Marex office from 1 August 2011 allowing the Partnership's Great Winchester Street offices to be sublet.