

AMIAS BERMAN & CO LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2012

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COMPANIES HOUSE

AMIAS BERMAN & CO LLP
General Information

DESIGNATED MEMBERS: David Smith

REGISTERED OFFICE: c/o Seaport Financial Europe Limited
Ground Floor West
One Finsbury Circus
London
EC2M 7EB

INDEPENDENT AUDITORS. PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

EXECUTIVE COMMITTEE: David Smith – from June 2011

Charlie Berman – until August 2011
Reema Patel – from September 2011 until August 2012
Cliff Dent – from September 2011 until August 2012
Jeremy Amias – non member, until September 2013

AMIAS BERMAN & CO LLP

Report to the Members for the year ended 31 March 2012

The members present their report with the audited financial statements of Amias Berman & Co LLP (the Partnership) for the year ending 31 March 2012

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 Conduct Authority (FCA) 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 FCA 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 2012, the Partnership had 6 members of whom four were engaged in revenue generating activities with the assistance of 2 members for back office support, and has completed the on-boarding of an additional 88 clients during the year bringing the total number of on-boarded clients to 488.

In the year to 31 March 2012, 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 2012, all personnel in the Partnership are exclusively focused on activities that directly promote the development of electronic trading of fixed income securities.

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

KEY PERFORMANCE INDICATORS

The business forecasts revenues and costs out to end-March 2017. The forecast highlights numbers monthly through March 2015 and annually beyond that date. Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using key performance indicators beyond those in the aforementioned forecasts is not necessary for an understanding of the development, performance or position of the business.

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. A liquidity risk issue could arise only through a combination of a series of poor trading periods combined with a set of significant outgoings.

Principal uncertainties to which the business is exposed are around the success of the second generation of its trading platform. To mitigate these uncertainties at a commercial level arrangements are in place with key third parties to ensure that the cost base of the platform initially is low and will not grow substantially unless and until increased trade volumes.

AMIAS BERMAN & CO LLP

Report to the Members for the year ended 31 March 2012

and therefore revenues drive the need for increased capacity or complexity. To mitigate uncertainties at a business level, discussions with potential partners have been undertaken with a view to merging and strengthening the firm in market sectors not served by e-trading. The preferred partner is the Seaport Group. The Partnership believes that the proposed acquisition by Seaport Financial Europe Limited is an essential step in ensuring its longer term success.

DESIGNATED MEMBERS

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

David Smith – from 14 June 2011

Charlie Berman – 500 voting interest and resigned as a designated member and partner on the 31 August 2011

Reema Patel – from 1 September 2011 and resigned as a designated member and partner on 31 August 2012

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 £2,416,000 (2011: £2,904,000). 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

A full and detailed assessment of going concern has been carried out by the Partners in the year. As part of this process, detailed cash flow forecasts have been produced for a period of at least 12 months from the date of this report. Based on these forecasts, the Partnership, is expected to comply with its cash flow and regulatory capital requirements.

The sensitivity of the forecasts to certain scenarios which could reasonably be expected to arise has been considered. The Partnership's cash flow forecasts have been formulated prudently and headroom for the next twelve months is considered sufficient under a range of downside trading scenarios.

The Partners continue to monitor closely the progress of the discussions concerning the proposed change of managing member. The Partners expect to continue to trade pending the transaction being finalised. It is expected that the acquisition of Amias Berman & Co LLP by Seaport Financial Europe Limited will complete in the immediate future. At which point it is expected that Seaport Financial Europe Limited will provide the financial support necessary to support the Partnership for the foreseeable future.

As such, the financial results have been prepared on a going concern basis, which assumes that the Partnership will be able to meet its liabilities as and when they fall due for the foreseeable future.

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 plans for Seaport Financial Europe Limited (SFEL) to become the managing member of Amias Berman & Co LLP via a Corporate Member Agreement replacing Amias Berman (UK) Limited in that role. This arrangement was approved by the FCA on 19th March 2013 and will be effected in September 2013. Amias Berman's London staff moved in September 2012 to the SFEL London office allowing costs associated with the group's residence in the previous office to be eliminated.

AMIAS BERMAN & CO LLP

Report to the Members for the year ended 31 March 2012

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 judgments 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.

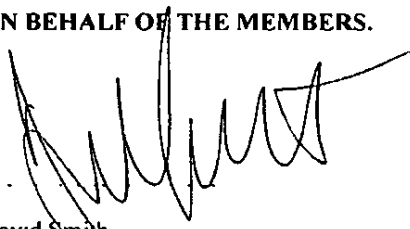
PROVISION OF INFORMATION TO THE AUDITORS

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.

ON BEHALF OF THE MEMBERS.



David Smith
Designated member
10 September 2013

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 2012 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 Annual Report and Financial Statements for the year ended 31 March 2012 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 2012 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.

Emphasis of matter

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the Partnership's ability to continue as a going concern. During the current financial year ended 31 March 2012 the Partnership incurred significant losses of £2.4m. The forecasts anticipate that the Partnership may require additional funds to those agreed with the Partners to meet its liabilities as they fall due. Management have reviewed a number of options and have decided to merge the partnership into the Seaport Financial Europe Limited. There is no contractual arrangement committing to this transaction, however management expect that process to complete in the immediate future. These conditions along with other matters disclosed in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

AMIAS BERMAN & CO LLP

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

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



Carl Sizer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
11 September 2013

AMIAS BERMAN & CO LLP
Income Statement for the year ended 31 March 2012

	<u>Note</u>	<u>Year ended 31/3/2012</u> £ 000	<u>Year ended 31/3/2011</u> £'000
Revenue	1c	628	2,729
Operating costs	4	(751)	(1 907)
Administrative expenses	5	(2,293)	(3,727)
Operating loss		(2,416)	(2,905)
Finance income	7	-	1
Loss for the year attributable to members		<u>(2 416)</u>	<u>(2 904)</u>

Operating loss is derived from continuing operations for the year

There is no other comprehensive income for the year

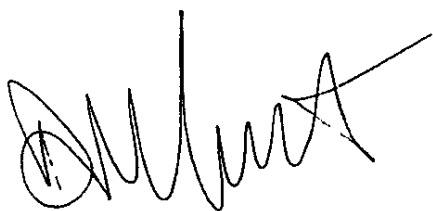
The notes on pages 12 to 20 are an integral part of these financial statements

AMIAS BERMAN & CO LLP
Balance Sheet for the year ended 31 March 2012

	<u>Note</u>	<u>As at</u> <u>31/3/2012</u> £'000	<u>As at</u> <u>31/03/2011</u> £'000
Current assets			
Trade and other receivables	8	529	1,153
Cash and cash equivalents	9	37	26
Total assets		<u>566</u>	<u>1,179</u>
Current liabilities			
Payables	10	(40)	(39)
Total liabilities		<u>(40)</u>	<u>(39)</u>
Net assets		<u>526</u>	<u>1,140</u>
Members' equity			
Members' capital		7,597	5,795
Reserves		(7,071)	(4,655)
Total members' equity	11	<u>526</u>	<u>1,140</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 10th September 2013 and were signed on its behalf by



David Smith
Designated member
10 September 2013

AMIAS BERMAN & CO LLP
Statement of Changes in Members' Equity as at 31 March 2012

	<u>Members'</u> <u>Capital</u> £ 000	<u>Reserves</u> £'000	<u>Total</u> £'000
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	5,795	(4,655)	1,140
Capital contributions during the year	1,802	-	1 802
Loss for the year	-	(2,416)	(2,416)
Members' equity as at 31 March 2012	<u>7,597</u>	<u>(7,071)</u>	<u>526</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 2012

	<u>Note</u>	<u>Year ended 31/3/2012 £ 000</u>	<u>Year ended 31/3/2011 £'000</u>
Cash flows from operating activities			
Loss for the year		(2,416)	(2,904)
Finance income		-	(1)
Operating cash flows before movements in working capital		<u>(2,416)</u>	<u>(2,905)</u>
Decrease in trade and other receivables		624	207
Increase/(decrease) in trade and other payables		1	(625)
Operating cash flows after movements in working capital		<u>(1,791)</u>	<u>(3,323)</u>
Net cash used in operating activities		<u>(1,791)</u>	<u>(3,323)</u>
Cash flows from investing activities			
Interest received		0	1
Net cash from investing activities		<u>0</u>	<u>1</u>
Cash flows from financing activities			
Capital contribution by members		1,802	1,725
Net cash from financing activities		<u>1,802</u>	<u>1,725</u>
Net increase/(decrease) in cash and cash equivalents		<u>11</u>	<u>(1,597)</u>
Net cash and cash equivalents at end of the year	9	<u><u>37</u></u>	<u><u>26</u></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 2012

1 PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

These financial statements have been consistently 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 judgment in the process of applying the Partnership's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

b) 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 2012. 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.

c) 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.

d) 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 2012

1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

e) 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

f) 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.

g) 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.

h) Going Concern

The Partnership's loss for the year was £2.4 million. As at 31 March 2012 the Partnership had net current assets of £526k (2011: £1,140k). The Partnership has no current liabilities payable to any parent undertakings (2011: £2k).

A full and detailed assessment of going concern has been carried out by the Partners in the year. As part of this process, detailed cash flow forecasts have been produced for a period of at least 12 months from the date of this report. Based on these forecasts, the Partnership, is expected to comply with its cash flow and regulatory capital requirements.

The sensitivity of the forecasts to certain scenarios which could reasonably be expected to arise has been considered. The Partnership's cash flow forecasts have been formulated prudently and headroom for the next twelve months is considered sufficient under a range of downside trading scenarios.

The Partners continue to monitor closely the progress of the discussions concerning the proposed change of managing member. The Partners expect to continue to trade pending the transaction being finalised. It is expected that the acquisition of Amias Berman & Co LLP by Seaport Financial Europe Limited will complete in the immediate future. At which point it is expected that Seaport Financial Europe Limited will provide the financial support necessary to support the Partnership for the foreseeable future.

As such, the financial results have been prepared on a going concern basis, which assumes that the Partnership will be able to meet its liabilities as and when they fall due for the foreseeable future.

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.

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2012

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial assets and liabilities

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

	<u>As at</u> <u>31/3/2012</u> <u>£'000</u>	<u>As at</u> <u>31/3/2011</u> <u>£'000</u>
Financial assets		
Trade and other receivables	529	1,153
Cash and cash equivalents	37	26
	<u>566</u>	<u>1,179</u>

The Partnership's financial liabilities are measured at amortised cost

	<u>As at</u> <u>31/3/2012</u> <u>£'000</u>	<u>As at</u> <u>31/3/2011</u> <u>£'000</u>
Financial liabilities		
Payables	<u>40</u>	<u>39</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 2012, 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 2012.

	<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	-	-	-	529	529
Cash and cash equivalents	35	-	-	2	37
	<u>35</u>	<u>-</u>	<u>-</u>	<u>531</u>	<u>566</u>
Liabilities					
Payables	-	-	-	(40)	(40)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40)</u>	<u>(40)</u>
Net assets	<u>35</u>	<u>-</u>	<u>-</u>	<u>491</u>	<u>526</u>

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2012

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

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

	<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	-	-	-	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>

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 2012 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 2012 was as follows:

	<u>As at 31/3/2012</u>			<u>Total</u> £'000
	<u>None</u> £'000	<u>Fixed</u> £'000	<u>Variable</u> £'000	
Assets				
Trade and other receivables	529	-	-	529
Cash and cash equivalents	-	-	37	37
	<u>529</u>	<u>-</u>	<u>37</u>	<u>566</u>
Liabilities				
Payables	(40)	-	-	(40)
	<u>(40)</u>	<u>-</u>	<u>-</u>	<u>(40)</u>

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2012

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

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

	As at 31/3/2011			Total £'000
	None £'000	Fixed £ 000	Variable £'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>

Price risk

The Partnership's 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 2012 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. Counterparties not subject to financial regulation undergo a more rigorous KYC process in particular to establish their creditworthiness.

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) all held in reputable institutions.

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. A liquidity risk issue could arise only through a combination of a series of poor trading periods combined with a set of significant outgoings.

	<u>On demand</u>	<u>Total</u>
31 March 2012		
	£'000	£'000
Liabilities		
Payables	(40)	(40)
	<u>(40)</u>	<u>(40)</u>

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2012

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

	<u>On demand</u>	<u>Total</u>
31 March 2011		
	£'000	£'000
Liabilities		
Payables	(39)	(39)
	<u>(39)</u>	<u>(39)</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 2012 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 Conduct Authority (FCA) 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 FCA 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 2012 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>31/3/2012</u> £'000	<u>Year ended</u> <u>31/3/2011</u> £'000
Staff costs	751	1,907

AMIAS BERMAN & CO LLP

Notes to the financial statements for the year ended 31 March 2012

5 ADMINISTRATIVE EXPENSES

	<u>Year ended</u> <u>31/3/2012</u> £'000	<u>Year ended</u> <u>31/3/2011</u> £'000
Administrative expenses	1,237	1,227
Management recharge (note 12)	990	1,652
Foreign exchange (gain)	(5)	(16)
Recharge to fellow subsidiary undertakings (note 12)	71	864
	<u>2,293</u>	<u>3,727</u>

Management recharge includes auditor's remuneration in the UK of £60,000. Furthermore, Administrative expenses include a £200,000 write down of debt owed from Amias Berman (UK) Limited to reflect management's plans to close that company.

6 INFORMATION IN RELATION TO MEMBERS

	<u>Year ended</u> <u>31/3/2012</u> £'000	<u>Year ended</u> <u>31/3/2011</u> £'000
The number of members during the year was	<u>7</u>	<u>16</u>

There were no employees during the year.

Out of the 7 members, 4 are individual members engaged in revenue generating activities, 2 members relating to back office support and 1 is a corporate member, namely Amias Berman (UK) Limited.

7 FINANCE INCOME

	<u>Year ended</u> <u>31/3/2012</u> £'000	<u>Year ended</u> <u>31/3/2011</u> £'000
Interest income on deposits	<u>-</u>	<u>1</u>

8 TRADE AND OTHER RECEIVABLES

	<u>As at</u> <u>31/3/2012</u> £'000	<u>As at</u> <u>31/3/2011</u> £'000
Current		
Prepayments	-	86
Trade receivables	94	192
Other	415	390
Amounts owed by fellow subsidiaries of related members	20	485
	<u>529</u>	<u>1,153</u>

As at 31 March 2012 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 2012

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>31/3/2012</u> £'000	<u>As at</u> <u>31/3/2011</u> £'000
Cash at bank and in hand	37	26

10 PAYABLES

	<u>As at</u> <u>31/3/2012</u> £'000	<u>As at</u> <u>31/3/2011</u> £'000
Amounts owed to fellow subsidiaries of related members	-	2
Accruals	40	37
	<u>40</u>	<u>39</u>

11 MEMBERS' EQUITY

The corporate member (note 6) has contributed £7,571,523 with 1,000 voting interest. All other members' have contributed £5,000 towards capital with 1 voting interest each.

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>31/3/2012</u> £ 000	<u>Year ended</u> <u>31/3/2011</u> £'000
Cost of management services received		
Amias Berman (UK) Limited	990	1,652
Cost of revenues recharged		
Amias Berman (HK) Limited	71	864

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 £71,000 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 2012

12 RELATED PARTY TRANSACTIONS (CONTINUED)

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

	<u>As at</u> <u>31/3/2012</u> £'000	<u>As at</u> <u>31/3/2011</u> £'000
Parent undertaking		
Amias Berman (UK) Limited	12	485
Amias Berman Holdings Pte Ltd	8	-
	<u>20</u>	<u>485</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 2012. The consolidated financial statements of Amias Berman Holdings Pte Ltd are available from 1 Temak 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 plans for Seaport Financial Europe Limited (SFEL) to become the managing member of Amias Berman & Co LLP via a Corporate Member Agreement replacing Amias Berman (UK) Limited in that role. This arrangement was approved by the FCA on 19th March 2013 and will be effected in September 2013. Amias Berman's London staff moved in September 2012 to the SFEL London office allowing costs associated with the group's residence in the previous office to be eliminated.