

**EUROPEAN VENTURE PARTNERS LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**Year ended 31 December 2008**

**Company Registration No: 3521606**

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# **EUROPEAN VENTURE PARTNERS LIMITED**

## **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the year ended 31 December 2008.

## **PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The Company sold its portfolio of leases and loans in December 2004 and since then the principal activity of the Company has been to collect any amounts realisable from other assets, including claims in insolvency, overseas withholding tax, and deposits.

The vast majority of these claims have now been settled such that the Company's activities have been significantly scaled back. The directors do not expect the Company to enter into any new transactions in the foreseeable future.

## **CHANGE OF CONTROL**

At the end of August 2008, Commerzbank AG ('Commerzbank') announced its intention to acquire the Company's intermediate parent undertaking Dresdner Bank AG ('DBAG'). On 12 January 2009 it was confirmed that the acquisition had been completed. The full legal merger of DBAG and Commerzbank took place on 11 May 2009. Following the merger, DBAG ceased to exist and all of the assets and liabilities of DBAG were succeeded by the new Commerzbank.

## **RESULTS AND DIVIDENDS**

The directors do not recommend the payment of a dividend for the year (2007: £nil). Provision of £960,000 is made for a dividend on the Preference Shares (2007: £960,000). The loss for the year of £1,062,003 (2007: £601,285) will be deducted from reserves.

## **GOING CONCERN**

The Company has received confirmation of continuing support from its intermediate parent undertaking Dresdner Kleinwort Limited ("DKL") and the directors have accordingly drawn up these financial statements on the going concern basis.

## **DIRECTORS**

The directors who held office during the year were as follows:-

A D Levy  
A B Isaac (alternate to D Schmidt)  
D Schmidt

Certain directors benefited from qualifying third party indemnity provisions in place during the financial year.

## **EUROPEAN VENTURE PARTNERS LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **AUDITORS**

KPMG Audit Plc will be re-appointed in accordance with Section 487 of the Companies Act 2006.

Approved by the Board of Directors  
and signed on behalf of the Board



J.C Wall  
Secretary

29 September 2009

## **EUROPEAN VENTURE PARTNERS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EUROPEAN VENTURE PARTNERS LIMITED**

We have audited the financial statements of European Venture Partners Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinion we have formed.

#### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of our audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its loss for the year then ended.
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*KPMG Audit Plc*

**KPMG Audit Plc**  
Chartered Accountants  
Registered Auditor  
London

*30 September* 2009

# EUROPEAN VENTURE PARTNERS LIMITED

## PROFIT AND LOSS ACCOUNT For the year ended 31 December

	Note	2008	2007
		£	£
Turnover	2	-	490,276
Interest payable to an intermediate parent undertaking		(103,117)	(161,957)
<b>GROSS (LOSS)/PROFIT</b>		<b>(103,117)</b>	<b>328,319</b>
Administrative expenses	3	(1,239)	(5,145)
Other operating income	4	-	25,000
Operating (loss)/profit		(104,356)	348,174
Interest on bank deposit		2,353	5,729
Finance costs on shares classified as liabilities:			
- Dividends due on preference shares		(960,000)	(960,000)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(1,062,003)</b>	<b>(606,097)</b>
Tax credit	5	-	4,812
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>	9	<b>(1,062,003)</b>	<b>(601,285)</b>

All amounts stated above are from continuing operations. The Company has no recognised gains or losses for the current year or the preceding year other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

A statement showing the movement in the profit and loss account reserve is set out in note 9 on page 8.

The notes on pages 6 to 8 form an integral part of these financial statements.

# EUROPEAN VENTURE PARTNERS LIMITED

## BALANCE SHEET

As at 31 December

	Note	2008 £	2007 £
<b>CURRENT ASSETS</b>			
Cash and bank deposits		368,653	62,314
Creditors: amounts falling due within one year	6	<u>(9,747,305)</u>	<u>(8,378,964)</u>
<b>NET CURRENT LIABILITIES</b>		(9,378,652)	(8,316,650)
Creditors: amounts falling due after more than one year	7	(16,000,000)	(16,000,000)
<b>NET LIABILITIES</b>		<u>(25,378,652)</u>	<u>(24,316,650)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	1,000	1,000
Profit and loss account	9	<u>(25,379,652)</u>	<u>(24,317,650)</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>(25,378,652)</u>	<u>(24,316,650)</u>

The financial statements on pages 4 to 8 were approved by the board of directors on 29 September 2009 and were signed on its behalf by:



A D Levy  
Director

The notes on pages 6 to 8 form an integral part of these financial statements.

# EUROPEAN VENTURE PARTNERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2008

### 1. ACCOUNTING POLICIES

#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and under the historical cost convention. The principal accounting policies adopted are described below.

#### **Going concern**

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of £25,378,652 (2007: £24,316,650). The directors believe this to be appropriate for the following reasons. The Company is dependent for its working capital on funds provided to it by DKL, the Company's intermediate parent undertaking. DKL has provided the Company with an undertaking that it will not require repayment of its loan to the Company until funds are available. This should enable the Company to continue in operational existence for the foreseeable future, meeting its liabilities as they fall due for payment. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

#### **Turnover**

Turnover represents gains on sale of receivables, residual values, and recoveries in insolvencies.

#### **Preference shares**

The holders of the preference shares are entitled to fixed cumulative preference dividends to be accrued biannually. These shares are classified as liabilities rather than equity due to the contractual obligation of the issuer to accrue dividends biannually.

#### **Taxation**

The charge for taxation is based on profit for the year.

Full provision is made in the profit and loss account for taxation in respect of all differences in timing between the accounting and tax treatment of income and expenses. The timing differences are recognised as deferred tax liabilities or assets, measured at future tax rates. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Deferred tax assets and liabilities are not discounted.

#### **Related party transactions**

The Company's intermediate parent undertaking at the year end, formerly DBAG, prepared consolidated financial statements, which are publicly available. Accordingly advantage is taken in these financial statements of the exemptions available in FRS 8, 'Related Party Disclosures' for disclosure of transactions with entities that are part of the group or investees of group entities as related parties.

#### **Investments**

Investments in subsidiary undertakings are stated at cost less provision for impairment.

#### **Foreign currencies**

Transactions denominated in foreign currencies are translated into sterling at the exchange rate at the date of the transaction or at the rate as at the end of the month as appropriate. Foreign currency assets and liabilities are translated into sterling at exchange rates at the year end or at the exchange rate of a related forward exchange contract where appropriate. Foreign exchange differences are taken to the Profit and Loss Account in the period in which they arise.

#### **Cash flow statement**

The Company has taken advantage of the exemption under FRS 1 (revised) 'Cash flow Statements' not to prepare a cash flow statement on the grounds that an intermediate parent undertaking at the year end, DBAG, prepared consolidated financial statements, which are publicly available.

# EUROPEAN VENTURE PARTNERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2008

2. TURNOVER	2008	2007
	£	£
Distribution from receivership *	-	434,192
Gains on sale of receivables	-	27,364
Other income	-	28,720
	<u>-</u>	<u>490,276</u>

\* The Company had made a loan to an entity which became insolvent in 2003; the loan was written-off, but the Company submitted a claim to the Receiver. In 2007 the Receiver accepted the claim and made the above distribution in settlement.

### 3. ADMINISTRATIVE EXPENSES

Administrative expenses represent the fees and charges incurred and recovered in the carrying out of the Company's principal activity. The auditor's remuneration was borne by DKL, an intermediate parent undertaking. The Company had no employees during the year. None of the directors received any emoluments in respect of their services to the Company. The audit fee applicable in respect of the Company's financial statements was £4,200 (2007: £4,200)

No amounts were receivable by the Company's auditor in respect of services to the Company, other than the audit of the Company's financial statements.

4. OTHER OPERATING INCOME	2008	2007
	£	£
Release of provisions relating to winding-up costs	-	25,000
	<u>-</u>	<u>25,000</u>

During 2007 the Company released provisions for winding-up costs after an assessment that they were no longer justified.

5. TAX CREDIT	2008	2007
	£	£
<b>a) Analysis of taxation for the year:</b>		
Current tax (note 5b):		
Prior year adjustment	-	4,812
	<u>-</u>	<u>4,812</u>
<b>b) Factors affecting the credit for the year:</b>		
Loss on ordinary activities before taxation	(1,062,003)	(606,097)
	<u>(1,062,003)</u>	<u>(606,097)</u>
Loss multiplied by the standard rate of tax of 28.5% (2007 - 30%)	302,671	181,829
Effects of:		
Non deductible expense	(273,600)	(288,000)
Utilisation of deferred tax asset not previously provided	-	106,171
Deferred tax asset not provided for	(29,071)	-
Prior year adjustment	-	4,812
	<u>(29,071)</u>	<u>4,812</u>
Current tax credit for the year (note 5a)	-	4,812
	<u>-</u>	<u>4,812</u>

#### Factors affecting future tax:

The Company has a carried forward potential deferred tax asset of £4.0m (2007: £4.0m). The accumulated tax assets have not been recognised in the accounts due to the uncertainty of the Company's future.



# EUROPEAN VENTURE PARTNERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2008

6. CREDITORS: amounts falling due within one year	2008	2007
	£	£
Dividends payable on preference shares	7,104,000	6,144,000
Loan principal due to an intermediate parent undertaking	1,550,000	1,550,000
Accrued loan interest payable to an intermediate parent undertaking	403,602	300,485
Amount due to immediate parent undertaking	374,479	374,479
Other liabilities and accruals	315,224	10,000
	<u>9,747,305</u>	<u>8,378,964</u>

7. CREDITORS: amounts falling due after more than one year	2008	2007
	£	£
Preference shares classified as liabilities		
Authorised, called up and fully paid:		
6% Preference shares of £1 each	<u>16,000,000</u>	<u>16,000,000</u>

The preference shares carry a dividend of 6% per annum, payable in arrears on 31 December and 30 June. The dividend rights are cumulative. The preference shares are redeemable on one month's notice by the Company. Preference shareholders may also request in writing redemption of these shares at any time after the third anniversary of the issue of the preference shares. The preference shares carry no votes at meetings of the Company and no premium is payable upon redemption.

8. CALLED UP SHARE CAPITAL	2008	2007
	£	£
Authorised, called up and fully paid		
Ordinary shares of £1 each called up and fully paid	<u>1,000</u>	<u>1,000</u>

## 9. COMBINED RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

	Issued share Capital	Profit & Loss Account	Shareholders' funds Total	Shareholders' funds Total
	2008	2008	2008	2007
	£	£	£	£
At start of year	1,000	(24,317,650)	(24,316,650)	(23,715,365)
Loss after taxation	-	(1,062,003)	(1,062,003)	(601,285)
At the end of the year	<u>1,000</u>	<u>(25,379,652)</u>	<u>(25,378,652)</u>	<u>(24,316,650)</u>

## 10. ULTIMATE PARENT UNDERTAKING

Up until 12 January 2009, the largest group in which the results of the Company were consolidated was that headed by Allianz SE, a company incorporated in Germany, under European law and German law. Allianz SE was also the ultimate parent undertaking and controlling party until that date. Financial statements of Allianz SE are available from Allianz SE, Investor Relations, Koeniginstrasse 28, D-80802 Munich, Germany.

After 12 January 2009, following the acquisition of DBAG from Allianz SE by Commerzbank, the largest group in which the results of the Company are consolidated is that headed by Commerzbank, a company incorporated in Germany under German law. From that date Commerzbank also became the ultimate parent undertaking and controlling party. Financial statements of Commerzbank are available from Commerzbank AG, Investor Relations, Kaiserplatz, D-60261 Frankfurt am Main, Germany.

The smallest group in which the results of the Company for the year were consolidated was that headed by DBAG, a company incorporated in Germany. Copies of the consolidated financial statements of DBAG are available from, Juergen-Ponto-Platz 1, 60301 Frankfurt am Main, Germany.