

SATURDAY



\*A7OZFLDH\*

A35

03/07/2010

3

COMPANIES HOUSE

**HSBC VENTURES (UK) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

**Registered Number: 3623543**

## HSBC VENTURES (UK) LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

#### Principal activities

The Company acts as an investment company in unlisted companies, by direct investment or through managed funds

#### Results and dividends

The Company's results for the year under review are as detailed in the income statement shown in these accounts

The key performance indicator used by management in assessing the performance of the Company is the monitoring of the net return on each individual underlying transaction the Company enters into. Monthly management accounts are prepared and reviewed by the management of the HSBC business in which the Company resides.

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2009 (2008 £nil)

#### Business review

During the year, the Company received income distributions from its investments and raised impairment provisions against the remaining investments. No new investment commitments were made during the year.

Support services for the Company were provided by HSBC Bank plc. These services included the maintaining of accurate accounting and other records such as cash management and the collection and settlement of receivables and payables as they became due.

The Company has no employees. Services are provided by the company's parent undertaking, HSBC Bank plc.

The Company has no stakeholders other than its parent company.

#### Risk management

##### Investment risk

The Company invests in unlisted companies through managed funds.

The Directors keep this risk exposure under review, through a six monthly review of all investments held by the Company.

#### Future developments

The Directors do not anticipate that the Company will make any new commitments to invest either directly or through managed funds.

## HSBC VENTURES (UK) LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

#### Directors

The Directors who served during the year were as follows

Name	Appointed
V J B Mansell	
J Subramaniam	12 March 2009

The Articles of Association of the Company provide that in certain circumstances the Directors are entitled to be indemnified out of the assets of the Company against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the Companies Act 2006. Indemnity provisions of this nature have been in place during the financial year but have not been utilised by the Directors.

#### Supplier payment policy

The Company does not currently subscribe to any code or standard on payment practice. It is the Company's policy, however, to settle the terms of payment with suppliers when agreeing the terms of each transaction, to ensure that suppliers are made aware of the terms of payment and to abide by the terms of payment.

During the year, the Company only received goods and services from group undertakings. Part 5 of Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, setting out reporting requirements in relation to the policy and practice on payment of creditors is, therefore, not applicable.

#### 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. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

#### Auditors

KPMG Audit plc are deemed to be reappointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

#### Going concern basis

The Financial Statements are prepared on a going concern basis, as the directors are satisfied that the company has the resources to continue in business for the foreseeable future.

## HSBC VENTURES (UK) LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

#### Statement of Directors' responsibilities in relation to financial statements

The following statement, which should be read in conjunction with the auditors' statement of their responsibilities, is made with a view to distinguishing for the shareholder the respective responsibilities of the Directors and of the auditors in relation to the financial statements

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 the Directors have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

The financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position and the performance of the Company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

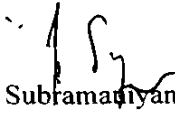
In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, 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 have responsibility for ensuring that sufficient accounting records are kept that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006.

The Directors 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.

By order of the Board

  
J Subramanian  
Director

23 June 2010

Registered Office  
8 Canada Square  
London  
E14 5HQ

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HSBC VENTURES (UK) LIMITED

We have audited the financial statements of HSBC Ventures (UK) Limited ('the Company') for the year ended 31 December 2009 set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

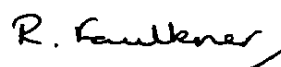
### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



**R Faulkner (Senior Statutory Auditor)**

**23 June 2010**

**For and on behalf of KPMG Audit Plc, Statutory Auditor**  
*Chartered Accountants*

**1 Canada Square**  
**London E14 5AG**

HSBC VENTURES (UK) LIMITED

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £'000	2008 £'000
Investment Income	3	<u>(1,206)</u>	<u>381</u>
(LOSS)/PROFIT BEFORE TAX		(1,206)	381
Tax credit	5	<u>126</u>	<u>9</u>
(LOSS)/PROFIT FOR THE YEAR		<u><u>(1,080)</u></u>	<u><u>390</u></u>
Attributable to Owners of the Company		<u><u>(1,080)</u></u>	<u><u>390</u></u>

The notes on pages 10 to 17 form part of the financial statements

HSBC VENTURES (UK) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £'000	2008 £'000
(Loss)/Profit for the year		<u>(1,080)</u>	<u>390</u>
<b>Other comprehensive income</b>			
Fair value transferred to income statement on disposal		<u>-</u>	<u>(330)</u>
Total comprehensive income for the year		<u>(1,080)</u>	<u>60</u>
Owners of the Company		<u>(1,080)</u>	<u>60</u>

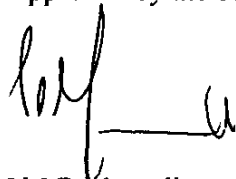
The notes on pages 10 to 17 form part of the financial statements

**HSBC VENTURES (UK) LIMITED**

**STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2009**

	Notes	2009 £'000	2008 £'000
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Financial investments	7	1	1,251
Deferred tax assets	8	126	-
<b>TOTAL NON CURRENT ASSETS</b>		<b>127</b>	<b>1,251</b>
<b>CURRENT ASSETS</b>			
Trade and other receivables	9	73	110
Cash and cash equivalents	10	1,806	1,732
<b>TOTAL CURRENT ASSETS</b>		<b>1,879</b>	<b>1,842</b>
<b>TOTAL ASSETS</b>		<b>2,006</b>	<b>3,093</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	11	-	-
Retained earnings		2,006	3,086
<b>TOTAL EQUITY</b>		<b>2,006</b>	<b>3,086</b>
<b>CURRENT LIABILITIES</b>			
Payables	12	-	7
<b>TOTAL CURRENT LIABILITIES</b>		<b>-</b>	<b>7</b>
<b>TOTAL LIABILITIES</b>		<b>-</b>	<b>7</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,006</b>	<b>3,093</b>

Approved by the board and signed on its behalf on 23 June 2010



V J B Mansell  
Director

Registered Company Number 3623543

The notes on pages 10 to 17 form part of the financial statements



HSBC VENTURES (UK) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2009

	Share capital £'000	Retained earnings £'000	Total equity £'000
At 1 January 2008	-	2,696	2,696
Profit for the year	-	390	390
Balance at 31 December 2008	-	3,086	3,086
Loss for the year	-	(1,080)	(1,080)
Balance at 31 December 2009	-	2,006	2,006

The notes on pages 10 to 17 form part of the financial statements

# HSBC VENTURES (UK) LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £'000	2008 £'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Loss)/profit before tax		(1,206)	381
<i>Adjustments for</i>			
Elimination of dividend income		(51)	(134)
Losses from financial investments		1,250	-
Elimination of profit on sale of income		-	(272)
Operating loss before changes in working capital and provisions		(7)	(25)
Decrease/(increase) in trade receivables		8	(17)
(Decrease)/increase in trade payables		(7)	6
Movement in the repurchase obligation in relation to short securities position			
Cash generated from operations		(6)	(36)
Income tax received/(paid)		29	(39)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>23</b>	<b>(75)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividend income		51	134
Proceeds from sale of financial investments		-	512
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>51</b>	<b>646</b>
Net increase in cash and cash equivalents		74	571
Opening cash and cash equivalents		1,732	1,161
<b>CASH AND CASH EQUIVALENTS AT YEAR END</b>	10	<b>1,806</b>	<b>1,732</b>

The notes on pages 10 to 17 form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Basis of preparation

The Company has prepared its financial statements in accordance with International Financial Reporting Standards ('IFRSs') as endorsed by the European Union ('EU'). EU-endorsed IFRSs may differ from IFRSs as published by the International Accounting Standards Board ('IASB') if, at any point in time, new or amended IFRSs have not been endorsed by the EU. At 31 December 2009, there were no unendorsed standards effective for 31 December 2009 affecting these financial statements, and there was no difference between IFRSs endorsed by the EU and IFRSs issued by the IASB in terms of their application to the Company.

IFRSs comprise accounting standards issued by the IASB and its predecessor body as well as interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC') and its predecessor body.

Except as stated below, there are currently no IFRSs or Interpretations that have been issued by the IASB or IFRIC and endorsed by the EU that have not yet been adopted by the Company.

- A revised IFRS 3 'Business Combinations', was issued on 10 January 2008 and will be applied prospectively for periods commencing on or after 1 July 2009. This revised standard will have no impact on the Company when adopted with effect from 1 January 2010.
- The IASB issued an amendment to IAS 27 'Consolidated and Separate Financial Statements' on 10 January 2008 that will be applied prospectively for periods commencing on or after 1 July 2009. This standard will have no impact on the Company when adopted with effect from 1 January 2010.

At 31 December 2009, the Company had adopted all IFRSs and Interpretations that had been issued by the IASB and IFRIC, and endorsed by the EU. Except as stated above, there are currently no IFRSs or Interpretations that have been issued by the IASB and endorsed by the EU which become effective after 31 December 2009 that have not already been adopted by the Company.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

As the principal currency in which the Company's business is conducted (which is its functional currency) is the Sterling, these accounts are presented in that currency.

General information

HSBC Ventures (UK) Limited is a company domiciled and incorporated in England and Wales.

2 Principal accounting policies

7 Financial investments

Equity securities are classified as available for sale ('AFS'). Financial investments are recognised on trade date when HSBC Ventures (UK) Limited enters into contractual arrangements with counterparties to purchase securities and are derecognised when the securities are sold. These securities are initially measured at fair value. They are subsequently re-measured at fair value and changes in this are recognised in equity in the 'Fair value reserve' (see Note 11) until the securities

## HSBC VENTURES (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

#### 2 Principal accounting policies (continued)

##### 7 Financial investments (continued)

are either sold or impaired. The investment held by the Company is not traded in an active market and, consequently, fair value is estimated based upon an analysis of the investee's financial position and results, risk profile, prospects and other factors. The exercise of judgement is required and because of uncertainties inherent in estimating fair value for such an investment, ultimately it is not until realisation of the investment that true performance is completely apparent.

On the sale of these securities, cumulative gains or losses previously recognised in equity are recognised in the income statement and classified as 'Investment Income'. Dividends are recognised in the income statement when the right to receive payment has been established and are classified as investment income.

An assessment is made at each balance sheet date as to whether there is any objective evidence of impairment, being circumstances where an adverse impact on estimated future cash flows of the financial asset or group of assets can be reliably estimated.

If an AFS security is determined to be impaired, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement) is removed from equity and recognised in the income statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

##### 7 Income tax

Income tax comprises current tax and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity.

Current tax is the tax expected to be payable on the taxable profit for the year, calculated using tax rates enacted or substantively enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years. Current tax asset and liabilities are offset when HSBC Ventures (UK) Limited intends to settle on a net basis and the legal right to offset exists.

Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, by the balance sheet date. Deferred tax assets and liabilities are offset when they arise in the same tax reporting group and relate to income taxes levied by the same taxation authority, and when HSBC has a legal right to offset.

##### 7 Share capital

Shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from proceeds, net of tax.

## HSBC VENTURES (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

#### 2 Principal accounting policies (continued)

##### 7 Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Such investments are normally those with less than three months' maturity from the date of acquisition, and include cash.

#### 3 Net investment income

##### Net investment (costs)/income

	2009 £'000	2008 £'000
Profit on disposal of investments	-	272
Dividend income	51	134
Fees paid to investment partnerships	(7)	(25)
Impairment of investments	<u>(1,250)</u>	<u></u>
	<u>(1,206)</u>	<u>381</u>

#### 4 Administrative expenses

The Company had no employees during the financial year (2008 nil)

Certain expenses including auditors' remuneration have been borne by a fellow group undertaking and are therefore not charged in arriving at the profit before taxation. The auditors' remuneration borne on behalf of the Company amounted to £7,500 (2008 £7,500)

# HSBC VENTURES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

### 7 Income tax (credit)/expense

<b>Tax expense</b>	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
<b><i>Current tax</i></b>		
UK corporation tax		
- on current year profit	12	31
- adjustments in respect of prior years	(12)	(40)
	<u>0</u>	<u>(9)</u>
<b><i>Deferred tax</i></b>		
Origination and reversal of temporary differences	(126)	-
	<u>(126)</u>	<u>0</u>
<b>Tax expense</b>	<u><b>(126)</b></u>	<u><b>(9)</b></u>

The UK corporation tax rate to HSBC Ventures (UK) Limited was 28% (2008 28.5%)

The following table reconciles the tax expense	<b>2009</b>		<b>2008</b>	
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
Taxation at UK corporation tax rate of 28% (2008 28.5%)	(338)	28.0	109	28.5
Tax free gains	-	-	(78)	(20.4)
Adjustments in respect of prior period liabilities	(13)	1.0	(40)	(10.5)
Amounts not deductible for tax purposes	224	(18.6)	-	-
<b>Overall tax expense</b>	<u><b>(126)</b></u>	<u><b>10.5</b></u>	<u><b>(9)</b></u>	<u><b>(2.4)</b></u>

### 7 Directors' emoluments

No emoluments were received or are receivable by any of the Directors in respect of their services to the Company during the year (2008 £nil)

**HSBC VENTURES (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)**

**7 Investments**

	<b>2009 £'000</b>	<b>2008 £'000</b>
At 1 January 2009	1,251	1,821
Additions	-	-
Disposals	-	(570)
Impairment	(1,250)	-
Fair value adjustment	-	-
At 31 December 2009	<u>1</u>	<u>1,251</u>

**8 Deferred tax assets**

**Deferred Taxation**

	<b>2009 £'000</b>	<b>2008 £'000</b>
At 1 January 2009		
Income statement credit/(debit)	126	-
At 31 December 2009	<u>126</u>	<u>0</u>

	<b>2009 £'000</b>	<b>2008 £'000</b>
<b>Deferred tax assets</b>		
Impairment allowances	126	-
	<u>126</u>	<u>0</u>

**9 Trade and other receivables**

	<b>2009 £'000</b>	<b>2008 £'000</b>
Taxation recoverable	64	93
Other receivables	<u>9</u>	<u>17</u>
	<u>73</u>	<u>110</u>

**HSBC VENTURES (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009**  
**(continued)**

**10. Cash and cash equivalents**

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Amounts held with group undertakings	<u>1,806</u>	<u>1,732</u>

**11 Share capital**

	<b><u>Authorised</u></b>		<b><u>Issued and fully paid up</u></b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

The Ordinary sterling shareholders have voting rights and are entitled to a discretionary dividend

**12 Trade and other payables**

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Other payables	<u>0</u>	<u>7</u>

**13 Risk management**

Exposure to credit risk, liquidity risk, market risk and investment risk arises in the normal course of the Company's business. The Company's risk management policies are consistent with the HSBC Group's risk management policies. During the year the Company has no significant exposure to all risks except for investment risk.

*Investment risk*

The Company's principal activity is to invest in unlisted companies, by direct investment or through managed funds. By its nature these private equity investments are long-term and subject to risk that will reduce the Company's income or the value of its portfolio.

Management keeps this exposure under review, through a six monthly review of all of private equity investments held by the company.

**14 Interest rate analysis of financial instruments**

In respect of income-earning financial assets and financial liabilities, all are non-interest bearing.



## HSBC VENTURES (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

#### 15 Fair value of financial assets and liabilities

	Carrying amount 2009 £'000	Estimated fair value 2009 £'000	Carrying amount 2008 £'000	Estimated fair value 2008 £'000
<b>Financial assets</b>				
Investments	1	1	1,251	1,251
	<u>1</u>	<u>1</u>	<u>1,251</u>	<u>1,251</u>

The method used to determine fair value for the investment for the purpose of measurement and disclosure is set out in Note 2(a). Valuation of unlisted investments is in accordance with the International Private Equity and Venture Capital valuation guidelines issued by AFIC, BVCA and EVCA.

Short-term receivables and payables are excluded from these disclosures because their carrying amount is a reasonable approximation to fair value.

#### 16 Capital management

The Company defines capital as total shareholders' equity. The Company's capital resource policy is to maintain a strong capital base. It seeks to maintain at all times a prudent relationship between total capital and the varied risks of its business. There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

#### 17 Sensitivity analysis

A change of 1% in the fair value of investments at the reporting date would have increased/(decreased) investments and the fair value reserve by the amounts shown below. This analysis assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis is performed on the same basis for 2008.

	1% increase £'000	1% decrease £'000
<b>As at 31 December 2009:</b>		
Investments	-	-
Fair value reserve	-	-
<b>As at 31 December 2008:</b>		
Investments	12	(12)
Fair value reserve	12	(12)

## HSBC VENTURES (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

#### 18 Related party transactions

The ultimate parent company, and the parent undertaking of the largest group of undertakings for which financial statements are drawn up and of which the Company is a member, is HSBC Holdings plc. The parent of the smallest such group is HSBC Bank plc.

HSBC Bank plc, its immediate parent company, is the Company's direct controlling party and HSBC Holdings plc is the Company's ultimate controlling party.

Copies of the financial statements of HSBC Bank plc and HSBC Holdings plc may be obtained from

HSBC Bank plc  
8 Canada Square  
London  
E14 5HQ

HSBC Holdings plc  
8 Canada Square  
London  
E14 5HQ  
[www.hsbc.com](http://www.hsbc.com)

Particulars of transactions, arrangements and agreements involving related parties are as follows

##### a) Intermediate parent undertaking

At 31 December 2009, the Company had deposits with HSBC Bank plc of £1,806,153 (2008: £1,732,351). These deposits were non-interest bearing.

##### b) Fellow subsidiaries

At 31 December 2009, the Company owed an amount of nil (2008: £7,000) to HSBC Private Equity Investments (UK) Limited. This was non-interest bearing.

#### 19 Subsequent events

There are no subsequent events requiring disclosure in the financial statements.

#### 20 Accounting estimates and judgements

Management discussed the development, selection and disclosure of the Company's critical accounting policies (Note 2) and estimates and the application of these policies and estimates.

Valuation of unlisted investments is in accordance with the International Private Equity and Venture Capital valuation guidelines issued by AFIC, BVCA and EVCA.

#### 21 Contingent liabilities

There were no contingent liabilities at 31 December 2009 (2008: £nil).