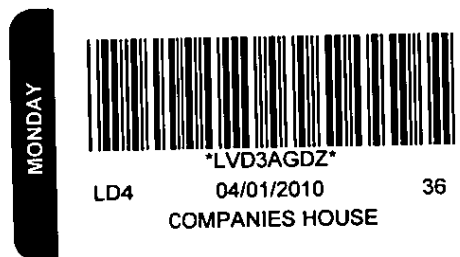


**PRINCIPAL ADVISORS LIMITED**  
**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**



**Company Registration No.: 3895296**  
**England and Wales**

## **PRINCIPAL ADVISORS LIMITED**

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**PRINCIPAL ADVISORS LIMITED**

**COMPANY INFORMATION**

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**Director** Edward Spencer Churchill

**Secretary** Tim Woodcock

**Company number** 3895296

**Registered office** 54 Baker Street  
London  
W1U 7BU

## PRINCIPAL ADVISORS LIMITED

### DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2009

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The director presents his report and financial statements for the year ended 31 March 2009.

#### Principal activities

The principal trading activity of the company is to provide business and management consultancy services to companies and individuals. In addition, the company has made several investments during the year with the expectation of recording gains upon realisation in future years.

#### Director and his interests

The director in office during the year ended 31 March 2009 and his beneficial interest in shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	31 March 2009	31 March 2008
Edward Spencer Churchill	2	2

#### Dividends

The Director does not recommend the payment of a dividend.

#### Director's responsibilities

Company law requires the director to prepare the financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



Edward Spencer Churchill

**Director**

21 December 2009

**PRINCIPAL ADVISORS LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2009**

	<b>Notes</b>	<b>2009 £</b>	<b>2008 £</b>
<b>Turnover</b>	2	467,255	587,513
Cost of sales		(441,401)	(118,101)
<b>Gross profit</b>		25,854	469,412
Administrative expenses		(204,409)	(274,974)
<b>Operating (loss)/profit</b>		(178,555)	194,438
Gain on sale of investments		481,684	-
Interest receivable and similar income		10,747	76,990
Interest payable and similar charges		(162,345)	(217,351)
<b>Profit on ordinary activities before taxation</b>		151,531	54,077
Tax on profit on ordinary activities	3	(39,803)	-
<b>Retained profit for the year</b>	9	111,728	54,077

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains or losses other than those included in the profit and loss account.

**PRINCIPAL ADVISORS LIMITED**

**BALANCE SHEET AS AT 31 MARCH 2009**

	Notes	2009 £	£	2008 £	£
<b>Fixed assets</b>					
Tangible assets	4		6,479		10,185
Investments	5		4,092,533		4,435,392
			<u>4,099,012</u>		<u>4,445,577</u>
<b>Current assets</b>					
Debtors	6	366,894		691,829	
Cash at bank and in hand		117,535		(259,544)	
		<u>484,429</u>		<u>432,285</u>	
<b>Creditors : Amounts falling due within one year</b>	7	(3,838,464)		(4,244,613)	
<b>Net current liabilities</b>			<u>(3,354,035)</u>		<u>(3,812,328)</u>
<b>Net assets</b>			<u>744,977</u>		<u>633,249</u>
<b>Capital and reserves</b>					
Called up share capital	8		2		2
Profit and loss account	9		744,975		633,247
<b>Shareholder's funds</b>			<u>744,977</u>		<u>633,249</u>

In approving these financial statements as director of the company I hereby confirm:

- that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;
- that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) of the Companies Act 1985 requesting that an audit be conducted for the year ended 31 March 2009 and
- that I acknowledge my responsibilities for:
  - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for year ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board on 21 December 2009.



**Edward Spencer Churchill**  
**Director**

# PRINCIPAL ADVISORS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment 20 % Straight line

#### 1.4 Fixed asset investments

Investments held as fixed assets are valued at cost less any provision for any permanent diminution in value.

#### 1.5 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

### 2 Turnover

Turnover is based on the value of services provided falling within the company's ordinary activities and is exclusive of value added tax. The turnover for the year relates to the United Kingdom.

### 3 Tax on profit on ordinary activities

	2009	2008
	£	£
Current tax charge	40,728	-
Prior year adjustment	(925)	-
	<u>39,803</u>	<u>-</u>

### 4 Tangible fixed assets

	Furniture & Fittings
	£
<b>Cost</b>	
At 1 April 2008	25,211
Additions	1,670
At 31 March 2009	<u>26,881</u>
<b>Depreciation</b>	
At 1 April 2008	15,026
Charge for the year	5,376
At 31 March 2009	<u>20,402</u>
<b>Net Book Value</b>	
At 31 March 2009	6,479
At 31 March 2008	<u>10,185</u>

**PRINCIPAL ADVISORS LIMITED**

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

**5 Fixed asset investments**

<i>Cost and value</i>	<b>£</b>
At 1 April 2008	4,435,392
Additions	55,600
Disposals	(398,459)
At 31 March 2009	<u>4,092,533</u>

**6 Debtors**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Trade debtors	90,894	4,742
Taxation and social security	-	33,497
Other debtors	276,000	653,590
	<u>366,894</u>	<u>691,829</u>

**7 Creditors: amounts falling due within one year**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Taxation	122,497	93,563
Director's current account	680,764	639,737
Accruals & deferred income	-	(7,500)
Other creditors	3,035,204	3,518,813
	<u>3,838,465</u>	<u>4,244,613</u>

**8 Called up share capital**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid</b>		
2 Ordinary Shares of £1 each	<u>2</u>	<u>2</u>

**9 Statement of movements on profit and loss account**

	<b>Profit and loss Account £</b>
Balance at 1 April 2008	633,247
Retained profit for the year	111,728
Balance at 31 March 2009	<u>744,975</u>

**10 Related parties**

An interest free loan subsisted between the director and the company. During the year the company borrowed £41,027 (2008: repaid £263,600) making the balance due to him at 31 March 2009 of £680,764 (2008: £639,737).