

Quester Academic GP Limited

Report and Accounts 2010

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COMPANIES HOUSE

Company Registration 4395109

Quester Academic GP Limited

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DIRECTORS

A D N Betton
A B Carruthers
C J Gee
J R Patel
T A Teichman
M G Williams

SECRETARY

N Tran

REGISTERED OFFICE
33 Glasshouse Street
London
W1B 5DG

Quester Academic GP Limited

REPORT OF THE DIRECTORS

The directors' present their report and audited financial statements of the Company for the year ended 31 March 2010

The directors' report has been prepared in accordance with the special provisions relating to small companies under section 415(A) of the Companies Act 2006

PRINCIPAL ACTIVITIES, BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The principal activity of the Company is as the general partner of the Isis College Fund No 1 Limited Partnership and the Isis College Fund No 2 Limited Partnership (collectively "Isis", the Second Isis College Fund Limited Partnership ("Second Isis") and the Lachesis Seed Fund Limited Partnership ("Lachesis") Isis, Second Isis and Lachesis are collectively referred to as "the Funds" hereafter These Funds carry on the business of venture capital investment

Spark Venture Management Limited is responsible for managing each of the Funds

The Company also acts as the general partner of Quester Academic GP Partnership, which was formed to carry on the business of investing in University Funds including holding the carried interest relating to the Funds

The loss after taxation for the year amounted to £48,416 (2009 profit £17,993)

DIRECTORS

The directors of the Company who served throughout the year and subsequently, except where noted, are shown on page 1

DIVIDENDS

No dividends were paid during the year (2009 £7)

SUBSEQUENT EVENTS

There are no material events after the balance sheet date

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) each of the directors has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Quester Academic GP Limited

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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,
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.



By Order of the Board
A D N Betton
Director
22 December 2010

Quester Academic GP Limited
INDEPENDENT AUDITORS' REPORT
to the members of Quester Academic GP Limited

We have audited the financial statements of Quester Academic GP Limited for the year ended 31 March 2010 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 statement of directors' responsibilities, 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 Ethical Standards for Auditors.

Scope of the audit

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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

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 March 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, 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, or
- the directors were not entitled to take advantage of small companies exemptions in preparing the directors' report.



Jason Homewood (Senior statutory auditor)
for and on behalf of PKF (UK) LLP, Statutory auditors
London, UK
22 December 2010

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Quester Academic GP Limited

PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2010

Notes	2010 £	2009 £
1 TURNOVER	359,472	354,168
Administrative expenses	(341,981)	(336,557)
Intercompany write off	(66,000)	
2 (LOSS)/PROFIT ON OPERATING ACTIVITIES	(48,509)	17,611
Bank interest receivable and similar income	93	382
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(48,416)	17,993
4 Tax on (loss)/profit on ordinary activities	-	-
8 RETAINED (LOSS)/PROFIT FOR THE YEAR	(48,416)	17,993

All activities are derived from continuing operations

There are no recognised gains or losses during the year other than as shown above. Consequently, a statement of total recognised gains and losses has not been presented.

Quester Academic GP Limited
Reg no 4395109

BALANCE SHEET
as at 31 March 2010

Notes	2010 £	2009 £
CURRENT ASSETS		
5 Debtors	295,024	259,273
Cash at bank and in hand	<u>76,024</u>	<u>35,221</u>
	371,048	294,494
6 CREDITORS - amounts falling due within one year	(391,844)	(266,874)
NET CURRENT (LIABILITIES)/ASSETS	<u>(20,796)</u>	<u>27,620</u>
NET (LIABILITIES)/ASSETS	<u>(20,796)</u>	<u>27,620</u>
 CAPITAL AND RESERVES		
7 Called up share capital	160	160
8 Profit and loss account	(20,956)	27,460
9 EQUITY SHAREHOLDERS' (DEFICIT)/FUNDS	<u>(20,796)</u>	<u>27,620</u>

The accounts were authorised and approved by the Board of Directors on 22 December 2010, and signed on its behalf by



A D N Betton
Director

Quester Academic GP Limited

NOTES TO THE ACCOUNTS
for the year ended 31 March 2010

1 ACCOUNTING POLICIES

The principal accounting policies are summarised below and have been applied consistently in the current and preceding year

(a) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards

(b) TURNOVER

Turnover represents the company's entitlement to priority profit share as general partner of the Funds. In the absence of profits within the Funds, a sum equivalent to the company's entitlement is advanced to the company as an interest-free limited recourse loan. Such advances are treated as income in the company's accounts in accordance with Financial Reporting Standard 5, "Reporting the substance of transactions"

(c) FOREIGN EXCHANGE

Transactions in foreign currencies are reflected in the accounts using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date. Any exchange differences arising on translation are taken to the profit and loss account

(d) DEFERRED TAXATION

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

(e) CURRENT TAXATION

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date

(f) LIMITED PARTNERSHIPS

The company acts as the general partner of the Funds, as defined in the directors' report, and by virtue of the role of the general partner these Funds are deemed to be subsidiary undertakings of the company under the provisions of the Companies Act 2006. However, the directors consider that the accounts would not give a true and fair view if all of the assets or income of these limited partnerships were consolidated since the group company has no interest in these assets and its role is simply that of investment manager. Accordingly, the Group does not consolidate the assets and income of the limited partnerships. This departure from the Companies Act 2006 has no effect on the results for the year or on the net assets at 31 March 2010

However, as the company is itself a subsidiary undertaking of an immediate parent undertaking established under the law of a member state of the EU, it is exempt from the requirement to prepare group accounts. The company is included in consolidated financial statements prepared by its ultimate parent undertaking Spark Venture Management Holdings Limited, which are drawn up to 31 March in the same financial year

(g) GOING CONCERN

On the 9 October 2009, this Company and others in the SPARK Group were sold to SPARK Venture Management Holdings Limited (SVMHL). SVMHL is controlled by the former management of the Group

At the date of approval of these financial statements, the Company was in net liabilities and net current liabilities position. A letter of support has been obtained from the sister company such that it will not seek repayment of loans due to it for a period not less than 12 months from the signing of the financial statements. After considering the future plans and reasonable possible changes in trading performance of the Company, the directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements

Quester Academic GP Limited

NOTES TO THE ACCOUNTS
for the year ended 31 March 2010

2 OPERATING (LOSS)/PROFIT

Auditors remuneration of £2 000 for the audit of the Company's annual accounts (2009 £2,000) has been borne by the parent company

3 EMPLOYEES AND DIRECTORS

In the current or prior years the company had no employees and none of the directors received any remuneration from this company, nor had any interests in the share capital of the company

4 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	2010	2009
	£	£
UK corporation tax at 28% (2009 28%)	-	-
Deferred tax charge/(credit)	-	-
	-	-

RECONCILIATION BETWEEN PROFIT BEFORE TAXATION AND THE TAXATION CHARGE

	2010	2009
	£	£
(Loss)/profit on ordinary activities before taxation	(48,416)	17,993
Corporation tax at 28% (2009 28%) thereon	(13,556)	5,038
Effects of		
Crystallisation of priority profit share entitlement	-	11,750
Expenses not deductible for tax purposes	18,480	-
Tax losses carried forward	10,831	82,379
Deferred revenues	(100,652)	(99,167)
Group relief surrendered	84,897	-
	-	-

The net deferred tax balance of £nil (2009 £nil) is in respect of a deferred tax asset relating to excess management expenses carried forward netted off against a deferred tax liability relating to the receipt of interest free limited recourse loans paid in lieu of the Company's entitlement to priority profit share from underlying limited partnerships. There is an unrecognised deferred tax asset of £7,539 (2009 £43 656) in respect of the excess of management expenses over the uncrystallised priority profit share which has not been recognised due to insufficient evidence that the asset will be recovered

5 DEBTORS

	2010	2009
	£	£
Amounts owed by group companies	253,357	106,119
Other debtors	41,667	153,154
	295,024	259,273

Amount owed by group companies is interest free and repayable on demand

6 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Amounts owed to group companies	302,253	-
Other creditors	89,591	266,874
	391,844	266,874

Quester Academic GP Limited

NOTES TO THE ACCOUNTS
for the year ended 31 March 2010

7 CALLED UP SHARE CAPITAL

	Number of shares	Nominal value £
Authorised at 31 March 2009 and 31 March 2010		
"A" ordinary shares of £1 each	95	95
"B" ordinary shares of £1 each	250	250
Fixed rate preference shares £1 each	655	655
	<u>1,000</u>	<u>1,000</u>

Allotted issued and fully paid at 31 March 2009 and 31 March 2010

"A" ordinary shares of £1 each	15	15
"B" ordinary shares £1 each	40	40
Fixed rate preference shares £1 each	105	105
	<u>160</u>	<u>160</u>

The "A" ordinary shareholders are entitled to 80% of any dividend declared and the "B" ordinary shareholders are entitled to 20% of any dividend declared. The "B" ordinary shareholders are not entitled to vote at any general meeting.

The fixed rate preference shares of £1 each have a fixed dividend entitlement of 5% per annum of the nominal value per share payable annually on 31 December in each year. The preference shareholders are not entitled to vote at any general meeting.

8 PROFIT AND LOSS ACCOUNT

	2010 £	2009 £
At 1 April	27,460	9,467
Retained (loss)/profit for the year	(48,416)	17,993
At 31 March	<u>(20,956)</u>	<u>27,460</u>

9 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2010 £	2009 £
Opening shareholders' deficit	(14,189)	(32,182)
(Loss)/profit for the year	(48,416)	17,993
Closing shareholders' deficit	<u>(62,605)</u>	<u>(14,189)</u>

10 PARENT UNDERTAKING

The immediate parent company is Quenst Limited and the ultimate parent company and controlling party of the company is SPARK Venture Management Holdings Limited (SVMH) a company incorporated in Great Britain and registered in England and Wales. SVMH prepares group accounts and hence the company is exempt from the requirements to prepare consolidated accounts, and present a cash flow statement under FRS1. Copies of the group accounts are available from 33 Glasshouse Street, London W1B 5DG.

11 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard No 8 from disclosing transactions with related parties that are part of the SVMH group or investees of the group.