

Company Registration No 04738788 (England and Wales)

BMS FINANCE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

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BMS FINANCE LIMITED

COMPANY INFORMATION

Directors

E P Stradling
M K Badale
M J Ling
D J S Burnett
D J Procter
S R Stradling

Secretary

M J Ling

Company number

04738788

Registered office

4th Floor
41-44 Great Queen Street
London
WC2B 5AD

Auditors

Citroen Wells
Devonshire House
1 Devonshire Street
London
W1W 5DR

Bankers

The Royal Bank of Scotland
28 Cavendish Square
London
W1G 0DB

BMS FINANCE LIMITED

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BMS FINANCE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2010

The directors present their report and financial statements for the year ended 31 March 2010

Principal activities

The principal activity of the company continued to be that of the arrangement of debt financing

Directors

The following directors have held office since 1 April 2009

E P Stradling
M K Badale
M J Ling
D J S Burnett
D J Procter
S R Stradling

Auditors

The auditors, Citroen Wells, are deemed to be reappointed under section 487(2) of the Companies Act 2006

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 judgements and accounting estimates that are reasonable and prudent,
- 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.

BMS FINANCE LIMITED

DIRECTORS' REPORT (CONTINUED)

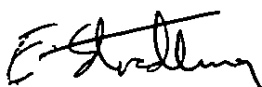
FOR THE YEAR ENDED 31 MARCH 2010

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



E P Stradling

Director

22.12.10

BMS FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BMS FINANCE LIMITED

We have audited the financial statements of BMS Finance Limited for the year ended 31 March 2010 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 1, 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 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 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 profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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.

BMS FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BMS FINANCE LIMITED

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 prepare the financial statements and the directors' report in accordance with the small companies regime

Citroen Wells

Edward Lanham FCCA (Senior Statutory Auditor)
for and on behalf of Citroen Wells

22 DECEMBER 2010

Chartered Accountants
Statutory Auditor

Devonshire House
1 Devonshire Street
London
W1W 5DR

BMS FINANCE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2010

	Notes	2010 £	2009 £
Turnover		879,914	695,976
Administrative expenses		(1,071,531)	(1,023,869)
Operating loss	2	(191,617)	(327,893)
Surplus arising on disposal of warrants		-	1,000,000
Profit on disposal of investments		-	148,545
(Loss)/profit on ordinary activities before interest		(191,617)	820,652
Investment income	3	337,786	30,884
Other interest receivable and similar income	3	173,378	55,122
Interest payable and similar charges		(5,850)	(12,053)
Profit on ordinary activities before taxation		313,697	894,605
Tax on profit on ordinary activities	4	(28,254)	(87,589)
Profit for the year	13	285,443	807,016

BMS FINANCE LIMITED

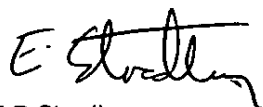
BALANCE SHEET

AS AT 31 MARCH 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	5	44,086		29,454	
Investments	6	150,172		80,886	
		<u>194,258</u>		<u>110,340</u>	
Current assets					
Debtors	7	2,365,015		2,425,764	
Cash at bank and in hand		132,437		12,060	
		<u>2,497,452</u>		<u>2,437,824</u>	
Creditors amounts falling due within one year	8	<u>(260,152)</u>		<u>(401,779)</u>	
Net current assets		<u>2,237,300</u>		<u>2,036,045</u>	
Total assets less current liabilities		<u>2,431,558</u>		<u>2,146,385</u>	
Creditors amounts falling due after more than one year	9	(90,000)		(90,000)	
Provisions for liabilities	10	<u>(7,557)</u>		<u>(7,827)</u>	
		<u>2,334,001</u>		<u>2,048,558</u>	
Capital and reserves					
Called up share capital	12	5		5	
Share premium account	13	542,100		542,100	
Profit and loss account	13	1,791,896		1,506,453	
Shareholders' funds		<u>2,334,001</u>		<u>2,048,558</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board for issue on 22.12.10



E P Stradling
Director

Company Registration No 04738788

BMS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

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 April 2008)

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently

1.3 Turnover

Turnover represents amounts receivable for services net of VAT

1.4 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

Leasehold Land and buildings	Over the term of the lease
Plant and machinery	2 years to 4 years straight line

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 398 of the Companies Act 2006 not to prepare group accounts

2 Operating loss	2010	2009
	£	£
Operating loss is stated after charging		
Amortisation of intangible assets	4,149	-
Depreciation of tangible assets	13,989	14,293
Auditors' remuneration	10,700	6,790
Directors' remuneration	234,996	158,332

BMS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

3	Investment income	2010	2009
		£	£
	Trading profit (Note 6)	69,286	30,884
	Inter group dividends	268,500	-
	Bank interest	49	3,675
	Other interest	173,329	51,447
		<u>511,164</u>	<u>86,006</u>
4	Taxation	2010	2009
		£	£
	Domestic current year tax		
	U K corporation tax	28,524	6,086
		<u>28,524</u>	<u>6,086</u>
	Total current tax	28,524	6,086
	 Deferred tax		
	Origination and reversal of timing differences	(270)	81,503
		<u>28,254</u>	<u>87,589</u>

BMS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2009	-	51,486	51,486
Additions	29,876	3,134	33,010
Disposals	-	(2,490)	(2,490)
	<hr/>	<hr/>	<hr/>
At 31 March 2010	29,876	52,130	82,006
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2009	-	22,032	22,032
On disposals	-	(2,250)	(2,250)
Charge for the year	4,149	13,989	18,138
	<hr/>	<hr/>	<hr/>
At 31 March 2010	4,149	33,771	37,920
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2010	25,727	18,359	44,086
	<hr/>	<hr/>	<hr/>
At 31 March 2009	-	29,454	29,454
	<hr/>	<hr/>	<hr/>

BMS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

6 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 April 2009	80,886
Additions	69,286
At 31 March 2010	150,172
Net book value	
At 31 March 2010	150,172
At 31 March 2009	80,886

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
AOSS Limited	United Kingdom	Ordinary shares	100 00
BMS Finance Advisors Limited	United Kingdom	Ordinary shares	100 00
BMS Finance Asset Management LLP	United Kingdom	Units	100 00

The profit for the year of BMS Finance Asset Management LLP is included in the results of the company as income from investments £69,286 (2009 £30,884)

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2010 £	Profit/(loss) for the year 2010 £
AOSS Limited	Principal activity Provision of technology services for and on behalf of its customers in the private sector	1,766	(112)
BMS Finance Advisors Limited	Dormant	-	-

BMS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

6 Fixed asset investments

(continued)

The investment is held as security by Jarvis plc for any liability falling due by AOSS Limited under the contract between those companies

BMS Finance Advisors Limited is a dormant company

Warrants

The company holds warrants to subscribe for a limited number of shares in the following companies, which had not been exercised at the balance sheet date

212,783 Agilisys Group Limited ordinary shares at £0.20 per share

7 Debtors	2010 £	2009 £
Trade debtors	30,584	12,652
Amounts owed by group undertakings and undertakings in which the company has a participating interest	3,926	41,591
Other debtors	2,330,505	2,371,521
	<u>2,365,015</u>	<u>2,425,764</u>

Included in other debtors is a rent deposit of £26,332 (2009 £65,393) over which the lessor has a charge

8 Creditors amounts falling due within one year	2010 £	2009 £
Trade creditors	56,501	43,092
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	322,000
Taxation and social security	49,958	27,333
Other creditors	153,693	9,354
	<u>260,152</u>	<u>401,779</u>

BMS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

9	Creditors amounts falling due after more than one year	2010 £	2009 £
	Other creditors	90,000	90,000
	Analysis of loans		
	Wholly repayable within five years	90,000	90,000

These loans are secured by a fixed and floating charge over the assets of the company

10 Provisions for liabilities

	Deferred tax liability £
Balance at 1 April 2009	7,827
Profit and loss account	(270)
Balance at 31 March 2010	7,557

The deferred tax liability is made up as follows:

	2010 £	2009 £
Accelerated capital allowances	7,557	7,827

BMS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

11 Share-based payments

Equity Settled Share Option Scheme

The company has issued share options to Mr M J Ling, a director, under an EMI Option agreement at a market value of £100 a share at the Date of Grant. The Vesting period is over four years and the options can be exercised before the tenth anniversary of the Date of Grant. Options are forfeited if the Director ceases employment, unless he ceases for reason of injury, disability, sickness, redundancy or for any other reason unless the Directors so permit and the options are exercised within 40 days of the cessation of employment.

Details of the share options outstanding to the option holder in the name of Mr M J Ling during the year as follows -

	No of Options 01.04.2009	No. of Options granted in the year	Total 31.03.2010	Exercise price per share	Date of Grant	Option term
EMI	134	33	167	£100	19 March 2007	10 years

12 Share capital

	2010 £	2009 £
Allotted, called up and fully paid		
5,000 Ordinary shares of £0.001 each	5	5

Share Warrants

The following warrants to subscribe for ordinary shares of £0.001 were unexercised at 31 March 2011 -

Date of grant	Warrants granted	Expiry date	Exercise Price
1 February 2008	110	31 January 2028	£487.96
21 April 2009	220	21 April 2029	£363.64

Of the warrants granted on 1 February 2008, 85 were issued to directors of the company namely -

M K Badale	25
S R Stradling	25
D J S Burnett	25
D J Procter	10

BMS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

13 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 April 2009	542,100	1,506,453
Profit for the year	-	285,443
Balance at 31 March 2010	542,100	1,791,896

14 Contingent liabilities

The company has guaranteed the repayment of a loan totalling £1,000,000 together with any interest outstanding made by Arch Private Finance IC Limited to Tranquil Insurance Company Limited. The interest payable on this loan accrued at the rate of 13% and as at the year end a total of £1,010,081 (2009 £51,447) was outstanding under this agreement.

15 Control

The company was under the control of Mr E Stradling at the year end. Mr Stradling is a director and majority shareholder.

16 Related party relationships and transactions

E P Stradling, a director of this company, is also a director of Tranquil Insurance Company Limited. During the year ended 31 March 2009, the company sold a current asset investment and warrant to Tranquil Insurance Company Limited for the sum of £2,148,545; this amount together with accrued interest of £87,387 (2009 £51,447) remained outstanding at the year end.

During the year, BMS Finance Limited charged BMS Finance Asset Management LLP administration fees of £498,494 (2009 £489,726) and at the year end £nil (2009 £97,903) was outstanding. Included in other creditors is an amount of deferred income received from BMS Finance Asset Management LLP of £51,627 (2009 £nil). At the year end, BMS Finance Limited was owed by BMS Finance Asset Management LLP £3,926 (2009 owed £9,476) on current account.

During the year, E P Stradling and M J Ling were directors of Valiance Limited and £nil excluding VAT (2009 £1,400) was charged to Valiance Limited and at the year end £nil (2009 £nil) was outstanding. During the year, the company paid consultancy fees of £4,000 (2009 £nil) to Valiance Ltd.

Included in creditors (Note 9) is an amount of £nil (2009 £322,000) due to AOSS Limited.