

EF INVESTMENTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2009

Registered Number 4788212



EF INVESTMENTS
(Registered Company Number 4788212)
DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2009

The directors present their report together with the audited financial statements of the Company for the year ended 31 December 2009

ACTIVITIES

E-F Investments has continued to hold its venture capital investment. This is an early stage venture investment on which the directors expect to make returns in the longer term.

RESULTS AND DIVIDENDS

The Company's surplus for the financial year is £16,216 (2008: (£60,565)). No dividend was declared during the year under review (2008: £nil).

DIRECTORS

The following people served as directors during the year ended 31 December 2009 -

T Chandos
D Austwick
J Hughes - Hallett

DIRECTORS' INTERESTS

None of the directors have any beneficial interest in the shares of the Company or the Company's parent, the Esmée Fairbairn Foundation.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year 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 year. In preparing those 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 UK 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors are 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 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.

EF INVESTMENTS
(Registered Company Number 4788212)
DIRECTORS' REPORT (Continued)
YEAR ENDED 31 DECEMBER 2009

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 he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

AUDITORS

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

SIGNED ON BEHALF OF THE BOARD

T. Chandos
Director



25 March 2010

King's Place
90 York Way
London N1 9AG

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EF INVESTMENTS

We have audited the financial statements of EF Investments for the year ended 31 December 2009 set out on pages 4 to 7. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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 (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 web-site at 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 profit for the year then ended,
- have been properly prepared in accordance with UK 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.



Kevin R Clark (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 Forest Gate
Brighton Road
Crawley
West Sussex
RH11 9PT

Date 25 MARCH 2010

EF INVESTMENTS
(Registered Company Number 4788212)
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 £	2008 £
Income		59,926	-
Administrative Expenses	3	(29,120)	(21,654)
OPERATING GAIN/(LOSS)		<u>30,806</u>	<u>(21,654)</u>
Finance Cost		(14,590)	(38,911)
GAIN/(LOSS) FOR THE YEAR		<u><u>16,216</u></u>	<u><u>(60,565)</u></u>

EF INVESTMENTS
(Registered Company Number 4788212)
BALANCE SHEET
AS AT 31 DECEMBER 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Investments	4	10,811,399	10,594,967
CURRENT ASSETS			
Cash and cash equivalents		117,751	41,204
CREDITORS: amounts falling due within one year		(65,697)	(1,783)
NET CURRENT LIABILITIES		52,054	39,421
CREDITORS: amounts falling due after one year	5	(757,283)	(557,283)
NET ASSETS		10,106,170	10,077,105
CAPITAL AND RESERVES			
Called up share capital	6	10,000,000	10,000,000
Revaluation Reserve	7	150,519	137,670
Retained earning		(44,349)	(60,565)
TOTAL CAPITAL AND RESERVES		10,106,170	10,077,105

Signed on behalf of the board of directors on 25 March 2010



T. Chandos
Director

The notes on page 6 and 7 form part of these financial statements

EF INVESTMENTS
(Registered Company Number 4788212)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with the Companies Act 2006, applicable accounting standards and applicable statements of recommended practice. The particular accounting policies are described below. Under FRS 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

a) CONVENTION

These financial statements are prepared in accordance with historical cost convention.

b) INVESTMENTS

Investments are stated at cost, or market value if listed on a recognised stock exchange.

c) GOING CONCERN

The financial statements are prepared on a going concern basis. Which the directors believe to be appropriate for the following reason. The Directors consider that in the long-term this venture capital investment will be successful.

2. DIRECTORS REMUNERATION

The aggregate emoluments of persons who were Directors of the Company during the year ended 31 December 2009, including pension contributions, were £nil (2008 £nil).

3. ADMINISTRATIVE EXPENSES

The Company has no full time employees. The staff involved in the Company's operations are all employees of The Trustees of Esmée Fairbairn Foundation. A cost sharing agreement for head office services was entered into with The Trustees of Esmée Fairbairn Foundation on 8 December 2008. Head office services for the year based on the estimated number of staff hours spent on work relating to EF Investments were £5,782 (2008 £11,644). Included in total administrative expenses is £nil (2008 £224) for time spent by a director of the Company who is also an employee of The Trustees of Esmée Fairbairn Foundation.

Auditors remuneration:	2009	2008
	£	£
Audit of these financial statements	-1,880	-1,783

4. INVESTMENTS

	2009	2008
	£	£
Quoted investments		
At 1 January	137,670	203,956
Unrealised gain / (loss) on investments	12,849	(66,286)
At 31 December	150,519	137,670
Unquoted investments at cost		
At 1 January	10,457,297	10,400,025
Additions	203,583	57,272
Unrealised gain on investments	-	-
At 31 December	10,660,880	10,457,297
Total quoted and unquoted investment	10,811,399	10,594,967

EF INVESTMENTS
(Registered Company Number 4788212)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2009

	2009 £	2008 £
5. CREDITORS: amounts falling due after one year		
Amounts due to parent undertaking	757,283	557,283

Under terms of the loan agreement between The Trustees of Esmée Fairbairn Foundation and EF Investments a loan facility of £2 million is available to the Company. Each Advance accrues interest at the Bank of England base rate plus 1.75% from the date on which such Advance is made. Each Advance is repayable by the Company at any time or if not already paid, on 28 February 2019.

	2009 £	2008 £
6. EQUITY CALLED UP SHARE CAPITAL		
Authorised – 10,000,000 ordinary shares of £1 each	10,000,000	10,000,000
Issued and fully paid – 10,000,000 ordinary shares of £1 each	10,000,000	10,000,000

	2009 £	2008 £
7. REVALUATION RESERVE		
Unrealised gains on listed stocks	150,519	137,670

8. PARENT UNDERTAKING

The Company is a wholly owned subsidiary of The Trustees of Esmée Fairbairn Foundation, a charitable trust and charity registered by the Charity Commission of England and Wales. Copies of the Foundation's accounts are available to the general public from the Esmée Fairbairn Foundation, Kings Place, 90 York Way, London, N1 9AG or from their website www.esmeefairbairn.org.uk