

Company number 4936261

IIC Funds Limited

Report and Financial Statements

Year Ended

31 December 2010

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IIC Funds Limited

Annual report and financial statements for the year ended 31 December 2010

Contents

Page:

1	Report of the directors
2	Statement of directors' responsibilities in respect of the directors' report and the financial statements
3	Report of the independent auditor's
5	Profit and loss account
6	Balance sheet
7	Notes forming part of the financial statements

Directors

P A Cartwright
T B Symes
D H S Toplas

Secretary

M Saunders

Registered office

3 Tenterden Street, London, W1S 1TD

Company number

4936261

Auditors

KPMG LLP, 15 Canada Square, London, E14 5GL

IIC Funds Limited

Report of the directors for the year ended 31 December 2010

The directors present their report together with the audited financial statements for the year ended 31 December 2010

Results and dividends

The profit and loss account is set out on page 5 and shows the result for the year

The directors do not recommend the payment of a dividend for the year

Principal activities, trading review and future developments

During the year, the Company has sold all of its investments. Following the settlement of the Company's remaining net assets the directors expect the Company to become dormant in the future. Therefore, the financial statements have not been prepared on a going concern basis. The effect of this is explained in note 1.

Directors

The directors of the company during the year were

P A Cartwright
T B Symes
D H S Toplas

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 / she ought to have taken as a director to make himself / herself 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.

Registered office
3 Tenterden Street
London W1S 1TD

By Order of the Board


D H S Toplas
Director

Approved by the directors on 28/9/11 2011

IIC Funds Limited

Statement of directors' responsibilities in respect of the directors' report and 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 they have elected to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 group and parent company and of their profit or loss for that period. In preparing each of the group and parent company 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 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. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities

Independent auditor's report to the member of IIC Funds Limited

We have audited the financial statements of IIC Funds Limited for the year ended 31 December 2010 set out on pages 5 to 11. 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 member, 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 member those matters we are required to state to them in an auditor's 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 member, 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 2, 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 and express an opinion on 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/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the company's affairs as at 31 December 2010 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.

Independent auditor's report to the members of IIC Funds Limited (Continued)

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



Andrew Marshall (Senior Statutory Auditor)
for and on behalf of KPMP LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL
United Kingdom

28 September 2011

IIC Funds Limited**Profit and loss account for the year ended 31 December 2010**

	Note	2010 £	2009 £
Administrative expenses		(11,026)	-
Operating loss	2	(11,026)	-
Profit on disposal of fixed asset investment		14,999	-
Profit on ordinary activities before interest		3,973	-
Bank interest receivable		11	1
Bank interest payable and similar charges		-	(1)
Profit on ordinary activities before taxation		3,984	-
Taxation	3	(1,116)	-
Profit for the financial year after taxation		2,868	-

All recognised gains and losses are included in the profit and loss account

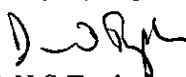
The notes on pages 7 to 11 form part of these financial statements

IIC Funds Limited**Company balance sheet at 31 December 2010**

	Note	2010 £	2009 £
Fixed assets			
Investments	4	-	15,001
		<hr/>	<hr/>
		-	15,001
Current assets			
Debtors	5	2,031	
Cash at bank		16,542	37
		<hr/>	<hr/>
		18,573	37
Creditors: amounts falling due within one year	6	(15,706)	(2,033)
		<hr/>	<hr/>
Net current assets/(liabilities)		2,867	(1,996)
		<hr/>	<hr/>
Total assets less current liabilities		2,867	13,005
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	7	1	1
Revaluation reserve	8	-	13,006
Profit and loss account	8	2,866	(2)
		<hr/>	<hr/>
Equity shareholders' funds	9	2,867	13,005
		<hr/>	<hr/>

The financial statements were approved by the Board of Directors and authorised for issue on 28/9 2011

Company registered number 4936261


D H S Toplas
Director

The notes on pages 7 to 11 form part of these financial statements

IIC Funds Limited

Notes forming part of the financial statements for the year ended 31 December 2010

1. Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

In previous years, the financial statements have been prepared on a going concern basis. However, since the year end the Company has sold all of its investments and it is not expected to acquire any new investments in the future. Therefore, the directors have not prepared the financial statements on a going concern basis. Any fees that are incurred during the process of winding up the company will be borne by a fellow group undertaking without recourse to the company.

At the year end the company's balance sheet shows net assets of £2,867 (2009: £13,005).

The Company sold its only remaining investment, Schools Partnership GP Limited, on 23 March 2010. Following the settlement of the Company's remaining net assets the directors expect the Company to become dormant in the future. No further adjustments are necessary to the amounts at which the remaining net assets are included in these financial statements.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Investments

Investments in subsidiary undertakings and associates are stated in the balance sheet of the company as cost less impairment.

2. Operating loss

The operating loss has been arrived at after charging

	2010 £	2009 £
Auditors' remuneration		
- audit of financial statements of subsidiaries pursuant to legislation	2,000	-
- taxation services	1,875	-
	<hr/>	<hr/>

The auditors' remuneration for 2009 in respect of the audit of these financial statements was borne by Mill Holdings Limited, the immediate parent company.

IIC Funds LimitedNotes forming part of the financial statements for the year ended 31 December 2010 *(Continued)***3. Tax on loss on ordinary activities**

	2010	2009
	£	£
(a) Tax on profit on ordinary activities		
Current tax		
United Kingdom corporation tax	-	-
Deferred tax		
Deferred taxation	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

(b) Factors affecting the tax charge for the current period

Current tax reconciliation	2010	2009
	£	£
Profit on ordinary activities before tax	3,984	-
	<u>1,116</u>	<u>-</u>
Current tax at 28% (2009 28%)	1,116	-
Effects of		
Income not taxable	(4,200)	-
Chargeable gains	4,200	-
	<u>1,116</u>	<u>-</u>
Total current tax charge	1,116	-

(c) Factors that may affect future the tax charges

The Emergency Budget on 22 June 2010 announced that the UK corporation tax rate will reduce from 28% to 24% over a period of 4 years from 2011. The first reduction in the UK corporation tax rate from 28% to 27% was substantively enacted on 20 July 2010 and will be effective from 1 April 2011. This will reduce the company's potential future tax charge accordingly. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce any potential future current tax charges.

IIC Funds Limited

Notes forming part of the financial statements for the year ended 31 December 2010 (*Continued*)

4. Investments

	Subsidiary Undertakings £
Cost and net book value	
At 1 January 2010	15,001
Disposal	<u>(15,001)</u>
At 31 December 2010	<u>-</u>

On 22 March 2010 the Company's investment in IIC (GP) II Limited was transferred at par to Mill Group Limited, a company registered in England and Wales

On 23 March 2010 Schools Partnership GP Limited was sold to Mill Asset Management (Holdings) Limited for £15,000 consideration, a company registered in England and Wales

5. Debtors

	2010 £	2009 £
Other debtors	2,031	-
	<u>2,031</u>	<u>-</u>

6. Creditors: amounts falling due within one year

	2010 £	2009 £
Amounts due to parent undertakings	3,370	2,032
Amounts due to group undertakings (see note 10)	7,345	1
Accruals and deferred income	3,875	-
Corporation tax liability	1,116	-
	<u>15,706</u>	<u>2,033</u>

7. Share capital

	2010 £	2009 £
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each		
At 1 January and 31 December	<u>1</u>	<u>1</u>

IIC Funds Limited

Notes forming part of the financial statements for the year ended 31 December 2010 (*Continued*)

8. Reserves

	Profit and loss account £
At 1 January 2010	(2)
Profit retained for the year	2,868
	<hr/>
At 31 December 2010	2,866
	<hr/>
	Revaluation reserve £
At 1 January 2010	13,006
Disposal of investment	(13,006)
At 31 December 2010	-
	<hr/>

9. Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit for the financial year	2,868	-
Revaluation reserve	-	13,006
Opening shareholders' deficit	(1)	(1)
	<hr/>	<hr/>
Closing shareholders' funds	2,867	13,005
	<hr/>	<hr/>

IIC Funds Limited

Notes forming part of the financial statements for the year ended 31 December 2010 (Continued)

10. Related party transactions

During the year, the group had transactions in the ordinary course of business and on an arms length basis with companies which are related parties by virtue of them being under the common ultimate control of Mill Newco B Limited. Outstanding balances at the year end with these companies have been separately disclosed in the financial statements, as balances owing to or from related companies.

As at 31 December 2010 IIC Fund Ltd owed Mill Holdings Ltd, the immediate parent company, £3,370 (2009: £nil).

On 22 March 2010 the Company's investment in IIC (GP) II Limited was transferred to Mill Group Limited, a company registered in England and Wales. At the balance sheet date the company owed IIC (GP) II Limited £7,345 (2009: £nil) a related party by virtue of sharing common directorship DHS Toplas.

On 23 March 2010 Schools Partnership GP Limited was sold to Mill Asset Management (Holdings) Limited for £15,000 consideration, a company registered in England and Wales. This is a related party by virtue of being controlled under the common influence, T B Symes, P A Cartwright and D H S Toplas.

11. Ultimate parent company

The immediate parent company is Mill Holdings Limited and the ultimate parent company is Mill Newco B Limited, both of which are incorporated in the British Virgin Islands. Mill Newco B Limited is under the ultimate control of the D H S Toplas Settlement.