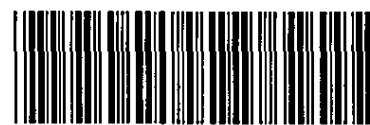


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**Report of the Directors and
Audited Financial Statements
for the Year Ended 31 March 2009
for
Balmuir Partners Limited**

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COMPANIES HOUSE

Balmuir Partners Limited
Company Information
for the Year Ended 31 March 2009

DIRECTORS:	R Black A Haining Ms J Mackenzie Lee
SECRETARY:	R Black
REGISTERED OFFICE:	20 South Hill Godalming Surrey GU7 1JT
REGISTERED NUMBER:	05477044 (England and Wales)
AUDITORS:	Roffe Swayne Registered Auditors & Chartered Accountants Ashcombe Court Woolsack Way Godalming Surrey GU7 1LQ
SOLICITORS:	Taylor Wessing 50 Victoria Embankment Blackfriars London EC4Y 0DX

Balmuir Partners Limited

Report of the Directors for the Year Ended 31 March 2009

The directors present their report with the financial statements of the company for the year ended 31 March 2009.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of private equity investment advisory and management services.

REVIEW OF BUSINESS

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The business risks and uncertainties affecting the company are considered to relate to the identification, execution, and monitoring and realisation of appropriate investments on behalf of the funds under management.

Key performance indicators ("KPIs")

Given the straightforward nature of the business and the company's accounts, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2009.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2008 to the date of this report.

R Black
A Haining

Other changes in directors holding office are as follows:

Ms J Mackenzie Lee - appointed 1 February 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). The financial statements are required by law to 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 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 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. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

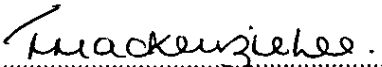
So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Balmuir Partners Limited
Report of the Directors
for the Year Ended 31 March 2009

AUDITORS

The auditors, Roffe Swayne, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
Director J. MACKENZIE LEE

Date: 5/8/09

**Report of the Independent Auditors to the Shareholders of
Balmuir Partners Limited**

We have audited the financial statements of Balmuir Partners Limited for the year ended 31 March 2009 on pages six to sixteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 a Report of the Auditors 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

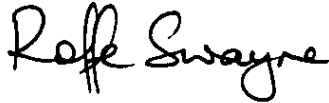
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Report of the Independent Auditors to the Shareholders of
Balmuir Partners Limited**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



Roffe Swayne
Registered Auditors &
Chartered Accountants
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

Date: 5 August 2009

Balmuir Partners Limited

**Profit and Loss Account
for the Year Ended 31 March 2009**

	Notes	2009 £	2008 £
TURNOVER		76,687	645,080
Administrative expenses		<u>296,895</u>	<u>389,416</u>
		(220,208)	255,664
Other operating income		<u>3,000</u>	-
OPERATING (LOSS)/PROFIT	3	(217,208)	255,664
Interest receivable and similar income		<u>2,255</u>	<u>4,825</u>
		(214,953)	260,489
Amounts written off investments	4	<u>5,071</u>	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(220,024)	260,489
Tax on (loss)/profit on ordinary activities	5	<u>(40,940)</u>	<u>54,395</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(179,084)</u>	<u>206,094</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

The notes form part of these financial statements

Balmuir Partners Limited

**Balance Sheet
31 March 2009**

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	6	6,131	14,760
Investments	7	100	5,171
		<u>6,231</u>	<u>19,931</u>
CURRENT ASSETS			
Debtors	8	72,268	283,125
Cash at bank		49,049	90,657
		<u>121,317</u>	<u>373,782</u>
CREDITORS			
Amounts falling due within one year	9	48,742	135,823
NET CURRENT ASSETS		<u>72,575</u>	<u>237,959</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>78,806</u>	<u>257,890</u>
CAPITAL AND RESERVES			
Called up share capital	12	20,000	20,000
Profit and loss account	13	58,806	237,890
SHAREHOLDERS' FUNDS	17	<u>78,806</u>	<u>257,890</u>

The financial statements were approved by the Board of Directors on 5/8/09 and were signed on its behalf by:

J. Mackenzie Lee
Director **J. MACKENZIE LEE**

The notes form part of these financial statements

Balmuir Partners Limited

**Cash Flow Statement
for the Year Ended 31 March 2009**

	Notes	2009 £	2008 £
Net cash (outflow)/inflow from operating activities	1	(189,311)	291,359
Returns on investments and servicing of finance	2	2,255	2,059
Taxation		(54,393)	(5,488)
Capital expenditure	2	-	(1,819)
		<u>(241,449)</u>	<u>286,111</u>
Financing	2	199,841	(220,000)
(Decrease)/Increase in cash in the period		<u>(41,608)</u>	<u>66,111</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		<u>(41,608)</u>	<u>66,111</u>
Change in net funds resulting from cash flows		<u>(41,608)</u>	<u>66,111</u>
Movement in net funds in the period		<u>(41,608)</u>	<u>66,111</u>
Net funds/(debt) at 1 April		<u>60,657</u>	<u>(5,454)</u>
Net funds at 31 March		<u><u>19,049</u></u>	<u><u>60,657</u></u>

The notes form part of these financial statements

Balmuir Partners Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2009**

1. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating (loss)/profit	(217,208)	255,664
Depreciation charges	5,697	5,903
Loss on disposal of fixed assets	2,931	-
Decrease in debtors	56,962	6,241
(Decrease)/Increase in creditors	(37,693)	23,551
Net cash (outflow)/inflow from operating activities	(189,311)	291,359

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2009 £	2008 £
Returns on investments and servicing of finance		
Interest received	2,255	2,059
Net cash inflow for returns on investments and servicing of finance	2,255	2,059
Capital expenditure		
Purchase of tangible fixed assets	-	(1,819)
Net cash outflow for capital expenditure	-	(1,819)
Financing		
Amount introduced by directors	200,000	-
Amount withdrawn by directors	(159)	(220,000)
Net cash inflow/(outflow) from financing	199,841	(220,000)

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.08 £	Cash flow £	At 31.3.09 £
Net cash:			
Cash at bank	90,657	(41,608)	49,049
	<u>90,657</u>	<u>(41,608)</u>	<u>49,049</u>
Debt:			
Debts falling due within one year	(30,000)	-	(30,000)
	<u>(30,000)</u>	<u>-</u>	<u>(30,000)</u>
Total	<u>60,657</u>	<u>(41,608)</u>	<u>19,049</u>

The notes form part of these financial statements

Balmuir Partners Limited

Notes to the Financial Statements for the Year Ended 31 March 2009

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Exemption from preparing consolidated financial statements

In the opinion of the directors, the company has no subsidiary undertakings whose inclusion in the accounts, either individually or together, is material for the purposes of giving a true and fair view. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

Turnover represents the value of services provided during the year, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- 20% on cost
Fixtures and fittings	- 20% on cost
Office equipment	- 33% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Financial Instruments

The company has adopted FRS 25 Financial Instruments: Disclosure and Presentation, under this standard the Redeemable Preference Shares are shown as a financial liability.

Fixed asset investments

Investments are stated at cost less provision for any permanent diminution in value.

2. STAFF COSTS

	2009 £	2008 £
Social security costs	519	504
Other pension costs	150,000	240,000
	<u>150,519</u>	<u>240,504</u>

The average monthly number of employees during the year was as follows:

	2009	2008
Directors	<u>2</u>	<u>2</u>

Balmuir Partners Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2009**

3. OPERATING (LOSS)/PROFIT

The operating loss (2008 - operating profit) is stated after charging:

	2009 £	2008 £
Other operating leases	56,919	47,654
Depreciation - owned assets	5,693	5,903
Loss on disposal of fixed assets	2,931	-
Auditors remuneration - previous auditor	-	8,277
Auditors remuneration - current auditor	<u>3,197</u>	<u>-</u>
Directors' emoluments	5,839	16,105
Directors' pension contributions to money purchase schemes	<u>150,000</u>	<u>240,000</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	----------	----------

4. AMOUNTS WRITTEN OFF INVESTMENTS

	2009 £	2008 £
Amounts written off investment	<u>5,071</u>	<u>-</u>

5. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	2009 £	2008 £
Current tax:		
UK corporation tax	(40,945)	54,395
Under provision in prior year	<u>5</u>	<u>-</u>
Tax on (loss)/profit on ordinary activities	<u>(40,940)</u>	<u>54,395</u>

Balmuir Partners Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2009**

5. TAXATION - continued

Factors affecting the tax (credit)/charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2009 £	2008 £
(Loss)/profit on ordinary activities before tax	<u>(220,024)</u>	<u>260,489</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2008 - 20%)	(46,205)	52,098
Effects of:		
Expenses not allowable for tax	1,191	1,657
Timing differences on fixed assets	1,548	640
Losses utilised	2,521	-
Adjustments in respect of prior years	5	-
Current tax (credit)/charge	<u>(40,940)</u>	<u>54,395</u>

6. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Office equipment £	Totals £
COST				
At 1 April 2008	6,820	4,565	11,513	22,898
Disposals	<u>(6,820)</u>	<u>-</u>	<u>-</u>	<u>(6,820)</u>
At 31 March 2009	<u>-</u>	<u>4,565</u>	<u>11,513</u>	<u>16,078</u>
DEPRECIATION				
At 1 April 2008	2,842	1,262	4,039	8,143
Charge for year	1,047	812	3,834	5,693
Eliminated on disposal	<u>(3,889)</u>	<u>-</u>	<u>-</u>	<u>(3,889)</u>
At 31 March 2009	<u>-</u>	<u>2,074</u>	<u>7,873</u>	<u>9,947</u>
NET BOOK VALUE				
At 31 March 2009	<u>-</u>	<u>2,491</u>	<u>3,640</u>	<u>6,131</u>
At 31 March 2008	<u>3,978</u>	<u>3,303</u>	<u>7,474</u>	<u>14,755</u>

Balmuir Partners Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2009**

7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2008	5,171
Impairments	(5,071)
	<hr/>
At 31 March 2009	100
	<hr/>
NET BOOK VALUE	
At 31 March 2009	100
	<hr/>
At 31 March 2008	5,171
	<hr/>

The company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary

Balmuir Nominees Ltd

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary £1	100.00

Associated Company

Balmuir Capital Partners LLP

Nature of business: Dormant

	%
Class of shares:	holding
Partnership capital	34.00

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Trade debtors	327	3,310
Amounts owed by group undertakings	40	40
Other debtors	48,541	38,676
Directors' loan accounts	20,159	220,000
Prepayments and accrued income	3,201	21,099
	<hr/>	<hr/>
	72,268	283,125
	<hr/>	<hr/>

Balmuir Partners Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2009**

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Preference shares (see note 10)	30,000	30,000
Trade creditors	6,518	27,305
Tax	5,000	54,388
Social security and other taxes	-	1,499
Other creditors	100	1,029
Accruals and deferred income	7,124	21,602
	<u>48,742</u>	<u>135,823</u>

10. LOANS

An analysis of the maturity of loans is given below:

	2009	2008
	£	£
Amounts falling due within one year or on demand:		
Preference shares	<u>30,000</u>	<u>30,000</u>

Details of shares shown as liabilities are as follows:

Authorised:			2009	2008
Number:	Class:	Nominal value:	£	£
100,000	Non-cumulative redeemable preference shares	£1	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid:			2009	2008
Number:	Class:	Nominal value:	£	£
30,000	Non-cumulative redeemable preference shares	£1	<u>30,000</u>	<u>30,000</u>

The non-cumulative redeemable preference shares are redeemable at the company's or the shareholders discretion with 30 days notice, and shall be redeemed at par by 31 December 2025 at the latest.

11. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2009	2008
	£	£
Expiring:		
Within one year	<u>-</u>	<u>51,000</u>

Balmuir Partners Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2009**

12. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	2009	2008
Number:	Class:		£	£
100,000	Ordinary shares	£1	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid:		Nominal value:	2009	2008
Number:	Class:		£	£
20,000	Ordinary shares	£1	<u>20,000</u>	<u>20,000</u>

13. RESERVES

	Profit and loss account £
At 1 April 2008	237,890
Deficit for the year	<u>(179,084)</u>
At 31 March 2009	<u>58,806</u>

14. TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the years ended 31 March 2009 and 31 March 2008:

	2009	2008
	£	£
R Black		
Balance outstanding at start of year	100,000	-
Balance outstanding at end of year	94	100,000
Maximum balance outstanding during year	<u>100,000</u>	<u>100,000</u>
A Haining		
Balance outstanding at start of year	120,000	-
Balance outstanding at end of year	20,065	120,000
Maximum balance outstanding during year	<u>120,000</u>	<u>120,000</u>

All loans to directors are unsecured, accrue no interest and have no defined repayment date.

15. RELATED PARTY DISCLOSURES

During the year the company received a contribution towards general office expenses of £7,556 (2008 £9,138) from Balmuir Investments Limited, a company of which A Haining, is also a director.

The company also received sales of £3,668 (2008 £nil) from the Balmuir Property Company Limited, a company of which A Haining, is also a director.

Included in debtors at the year end is an amount of £40 (2008 £40) due from Balmuir Capital Partners LLP.

16. ULTIMATE CONTROLLING PARTY

In the opinion of the directors, the company is controlled by Mr A Haining.

Balmuir Partners Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2009**

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
(Loss)/Profit for the financial year	(179,084)	206,094
Net (reduction)/addition to shareholders' funds	(179,084)	206,094
Opening shareholders' funds	257,890	51,796
Closing shareholders' funds	78,806	257,890