

5614046

## Contents

Chairman's Statement	2
Directors' Report	5
Auditors' Report	12
Consolidated Income Statement	14
Statements Of Changes In Equity	15
Balance Sheets	16
Cash Flow Statements	17
Notes To The Financial Statements	18
Notice Of Annual General Meeting	40

THURSDAY



\*AYU510B0\*

A33

05/06/2008

320

COMPANIES HOUSE

## Chairman's Statement

The year ended 31 January 2008 was one of strong financial performance for ORA Capital Partner Plc ("Ora") with Group profits before tax for the year of £41.0 million compared to £2.0 million for the period to 31 January 2007. Net assets at 31 January 2008 were £110.4 million compared with £35.9 million a year earlier and cash balances at 31 January 2008 were £44.9 million.

It has also been a very productive period for business development which included a share placing and admission to the AIM market in April 2007 raising £34.8 million net of expenses, as well as further investment of £19.3 million by ORA in new and existing businesses.

ORA is a holding and management company whose principal activity is the development and growth of trading companies within its business portfolio, the current focus of which is on technology, resources (including renewable resources), and financial services. These activities are reported in the Business Portfolio Return and Advisory Fees sector and the Financial Services sector respectively.

### Business Portfolio Return and Advisory Fees

The profit before tax attributable to our Business Portfolio Return and Advisory Fees sector was £42.3 million for the year compared with £1.0 million for the period to 31 January 2007. The results reflect movements in the carrying value of ORA's investment portfolio business assets and our advisory fee income, less the central overheads attributable to those activities, together with interest income earned on cash balances available for investment.

The principal trading companies included in our business portfolio are Oxford Advanced Surfaces Plc ("Oxford Advanced Services") (formerly Kanyon Plc), Nanoco Tech Plc ("Nanoco"), Obtala Resources Plc ("Obtala"), Anasco Petroleum Limited ("Anasco") and Oxeco Plc ("Oxeco"). In addition ORA holds units in the Rock Island Investments Limited fund which represented 49.7 per cent of that fund at 31 January 2008.

Oxford Advanced Surfaces develops and commercialises advanced materials and technology solutions leveraging its surface modification technology. The company's ONTO™ technology can be used to modify a broad range of materials to deliver diverse and valuable functionalities. Initial applications include tailored wetting properties, adhesion, metallisation, bio-activity in markets including electronics, advanced composites and laminates, biomaterials and low carbon technologies. ORA holds a 28.1 per cent stake in Oxford Advanced Surfaces which was admitted to AIM through a reverse takeover of Kanyon in December 2007. Oxford Advanced Surfaces was capitalised at £90.0 million as at 31 January 2008 and had cash balances on Admission of £6.8 million.

Nanoco specialises in partnerships with blue-chip industrial organisations in the development of applications incorporating semiconductor nanoparticles, ("quantum dots"). The bulk manufacture of quantum dots provides partners with the platform to develop a wide variety of next-generation products, particularly in the fields of electronics, lighting, biomedical and PV solar cells. Nanoco is the leading manufacturer presently able to supply production quantities of quantum dots which do not use a regulated heavy metal. ORA holds 43.0 per cent of the issued equity of the company, which is unlisted. During the year Nanoco attracted investment from a major Japanese institution and recent funding rounds have valued the company at

approximately £25.0 million on a fully diluted basis, while providing a solid capital base for the further development of the business

Obtala is the holding company of a mineral exploration and development group, with a primary focus on gold and nickel opportunities in Tanzania. The group holds a portfolio of exploration assets in Tanzania comprised of exclusive or majority interests in a total of 18 licences covering a total area of over 3,700 km<sup>2</sup>. ORA holds 33.4 per cent of the issued share capital of Obtala, following admission of that company to AIM on 24 April 2008 with a valuation of £35.5 million.

Ansco is a private company in which ORA holds a 48.1 per cent. share. The company was founded in 2007 with the aim of building a hydrocarbons exploration and development group. The company currently holds hydrocarbon interests in Africa and is actively looking at other hydrocarbon opportunities in both Africa and Eastern Europe.

Oxeco's primary business is the development of novel X-ray crystallography structure determination software and the provision of a small molecule X-ray crystallography structure service. Oxeco was established by ORA and successfully launched as a public company in a £3.1 million share placing (gross) and admission to the AIM market in December 2006. Oxeco acquired Oxray Limited in June 2007, settled in full by the issue of shares following which ORA now holds 45.3 per cent of the issued equity of the company. Oxeco was capitalised at £24.0 million as at 31 January 2008.

#### **Financial Services**

Novum Securities Limited "Novum Securities" (formerly Bankora Limited) was founded in 2006 as a Financial Services Authority authorised firm able to provide agency broking and corporate finance advice to intermediate customers and market counterparties. ORA subsequently invested £3.0 million of new money in to the company which then acquired Luke Securities Limited (renamed Novum Private Clients Limited) in July 2007, settled mainly by the issue of shares which resulted in a dilution of ORA's holding to 61.4 per cent of the issued equity. Both of these financial services companies were relocated into a newly refurbished property in October 2007 and renamed under the Novum brand in April 2008.

The post acquisition revenue attributable to these financial services businesses in the year ended 31 January 2008 was £1.6 million and the related profit before tax was £0.4 million.

#### **Financial Trading**

Surplus cash may be committed to specific opportunities where the management team considers there to be potential for value creation which may include the acquisition of equities and derivative financial instruments. These activities are reported in the Financial Trading segment inclusive of related funding costs. The loss before tax in the year ended 31 January 2008 was £1.7 million.

#### **Outlook**

ORA has delivered a strong financial performance in the year to 31 January 2008 and has made positive progress to develop and internationalise the business for the longer term. The Company continues to evaluate a wide range of domestic and international opportunities, as well as working with its existing businesses, with a focus on high-quality investment and retaining the management disciplines and

## Chairman's Statement

shareholder alignment around which the Company was founded. I am confident that 2008 will prove to be another good year for ORA.

Finally, I would like to thank our employees and the managers of our business portfolio companies, for all their hard work and support in what has been a successful year in the growth and development of the Group.

**Richard Griffiths**  
**Executive Chairman**  
29 April 2008

A handwritten signature in black ink, reading "Richard Griffiths". The signature is written in a cursive, flowing style.

# Directors' Report

The Directors submit their report and the financial statements of Ora Capital Partners Plc for the year ended 31 January 2008

## PRINCIPAL ACTIVITIES

Ora Capital Partners Plc is a holding and management company, incorporated and domiciled in the UK, the principal activity of which is the development and growth of trading businesses within the technology, resources and financial services sectors. The Company may also develop businesses in other sectors that provide appropriate value enhancing opportunities.

Details of the Group's subsidiary companies are given in note 10 of the financial statements and details of other businesses where Ora Capital Partners Plc holds more than 20 per cent of the equity are given in note 9 of the financial statements. The principal companies comprise

Undertaking	Sector	Web address
Oxford Advanced Surfaces Plc	Technology	<a href="http://www.oxfordsurfaces.com">www.oxfordsurfaces.com</a>
Nanoco Tech Plc	Technology	<a href="http://www.nanocotech.com">www.nanocotech.com</a>
Obtala Resources Plc	Resources	<a href="http://www.obtalaresources.co.uk">www.obtalaresources.co.uk</a>
Oxeco Plc	Technology	<a href="http://www.oxecopl.com">www.oxecopl.com</a>
Novum Securities Limited	Financial Services	<a href="http://www.novumsecurities.com">www.novumsecurities.com</a>
AnSCO Petroleum Limited	Resources	<a href="http://www.ansco-petroleum.com">www.ansco-petroleum.com</a>

## BUSINESS REVIEW

A review of the Group's performance and future prospects is included in the Chairman's Statement on pages 2 to 4.

## KEY PERFORMANCE INDICATORS

Key Group performance indicators are set out below

	2008 £'000	2007 £'000
Net assets	110,408	35,898
Profit attributable to equity holders	40,475	1,426
Change in fair value of portfolio investments and deconsolidated subsidiaries	40,085	60
Cash and cash equivalents	44,863	32,418
Proceeds from sale of portfolio investments and shares in subsidiaries	310	-
Purchase of portfolio investments and subsidiaries	19,347	7,509

## RESULTS AND DIVIDENDS

The profit after taxation for the year ended 31 January 2008 was £40,591,000 versus a profit of £1,397,000 for the period ended 31 January 2007.

The Directors do not recommend payment of an ordinary dividend and the surplus has been transferred to reserves.

## SHARE CAPITAL AND FUNDING

Full details of the Company's share capital movements during the year are given in note 16 of the financial statements.

## Directors' Report

The Company has an authorised share capital of £1,750,000 divided into 175,000,000 ordinary shares of 1p each of which 100,000,000 had been issued at the balance sheet date

### RISK MANAGEMENT

Details of the Group's financial risk management objectives and policies are disclosed in note 15 to the financial statements

### DIRECTORS AND THEIR INTERESTS

The following Directors have held office in the period

Richard I Griffiths	<i>(Executive Chairman)</i>
Michael A Bretherton	<i>(Finance Director)</i>
James L Ede-Golightly	<i>(Executive Director)</i>
David R Norwood	<i>(Non-Executive Director)</i>
Beatrice M H Hollond	<i>(Non-Executive Director)</i>

### Directors' interests

Directors' interests in the shares of the Company, including family interests at 31 January 2008 were

	Ordinary shares of 1p each	
	2008	2007
Richard I Griffiths	27,372,366	26,955,700
Michael A Bretherton (appointed 6 March 2007)	60,000	60,000
James L Ede-Golightly (appointed 27 October 2007)	180,000	180,000
David R Norwood	3,000,000	3,000,000
Beatrice M H Hollond	384,000	384,000

### Directors' remuneration

The remuneration of the individual Directors' who served in the year to 31 January 2008 was

	Salary & fees £'000	Benefits £'000	Total 2008 £'000	Total 2007 £'000
Richard I Griffiths	10	2	12	9
Michael A Bretherton (see note (a))	97	2	99	-
James L Ede-Golightly (see note (b))	24	-	24	-
David R Norwood	10	-	10	9
Beatrice M H Hollond	10	-	10	9
<b>Total</b>	<b>151</b>	<b>4</b>	<b>155</b>	<b>27</b>

(a) From appointment on 6 March 2007

(b) From appointment on 27 October 2007

It is the Company's policy that executive Directors should have contracts with an indefinite term providing for a maximum of 6 month's notice. In the event of early termination, the Directors' contracts provide for compensation up to a maximum of basic salary for the notice period. The basic fee payable to Richard Griffiths is £10,000 per annum, to Michael Bretherton is £110,000 per annum and to James Ede-Golightly is £95,000 per annum. In addition these executive Directors also receive certain benefits in kind, principally private medical insurance.

Non-executive Directors are employed on letters of appointment which may be terminated on not less than 6 months notice. The basic fee payable to the Non-executive Directors is £10,000 per annum.

## PROFILE OF THE DIRECTORS

### **Richard Griffiths, Aged 41, Executive Chairman**

Richard Griffiths was the Chairman and founder of Evolution Capital Limited in 2000. He has extensive experience of company management, equity capital markets, corporate finance and restructurings. He has also been an active investor in small and emerging companies. He was an executive director of The Evolution Group Plc, the fully listed investment bank and was Executive Chairman from March 2001 until May 2005 and President of Evolution until his resignation in October 2005. Richard has been a director of a number of private and publicly owned companies.

### **Michael Bretherton, BA, ACA, Aged 52, Finance Director**

Michael Bretherton joined the Company in May 2006 and was appointed to the Board as Finance Director in March 2007. Michael graduated in Economics from University of Leeds and then worked as an accountant and manager with PriceWaterhouse for 7 years in both London and the Middle East. He subsequently worked for The Plessey Company Plc before being appointed Finance Director of the fully listed Bridgend Group Plc in 1988 where he held the position for 12 years. More recently, he has worked at the property and services company, Mapeley Limited as Financial Operations Director and then at the entertainment software games developer, Lionhead Studios Limited, where he helped to complete a trade sale of the business to Microsoft in March 2006.

### **James Ede Golightly, MA, CFA, Aged 29, Executive Director**

James Ede Golightly graduated in economics from St John's College, Cambridge. He joined Merrill Lynch Investment Managers where he worked as an analyst covering European Credit and equity markets. James subsequently joined Commerzbank as an analyst and trader within the Special Situations proprietary trading team. He is a non-executive director for Equest Investments Balkans Limited.

### **David Norwood, MA, Aged 39, Non-Executive Director**

David graduated in Modern History from Keble College, Oxford following which he worked as a foreign exchange trader at Bankers Trust and then as an investment analyst at Duncan Lawrie. In 1997 he joined Williams de Broe to advise quoted and unquoted technology companies. David founded IndexIT Partnership in 1999, a technology advisory boutique which was subsequently acquired by Beeson Gregory Group Plc at which time he joined the board of Beeson Gregory and was appointed Chief Executive at the beginning of 2001. David joined the board of The Evolution Group Plc following its merger with Beeson Gregory in July 2002 and then became Chief Executive of IP Group Plc (formerly IP2IPO of which he was the founder) when it floated on AIM in October 2003. David subsequently held the position of Executive Chairman of IP Group Plc until October 2007 when he changed his role to that of Special Projects Director in order to focus on business development.

### **Beatrice Hollond, MA, Aged 47, Non-executive Director**

Beatrice Hollond graduated in Oriental Languages from Oxford University. She is Deputy Chairman of Millbank Financial Services, an independent family office, and Chairman of Millbank Investment Management Limited, its investment management subsidiary. She is also Chairman of Artbar Limited and a director of Keystone.

## Directors' Report

Investment Trust plc and Oldfield & Co (London) Limited She was previously Managing Director of Credit Suisse Asset Management, where she worked for 16 years, with a particular focus on global fixed income and currency investing

### SUBSTANTIAL SHAREHOLDERS

The Company is aware that, in addition to the holdings disclosed under Directors' interests in shares above, the following have at 24 April 2008 an interest in three per cent. or more of the issued Ordinary Share capital of the Company

Name	Number of 1p Ordinary Shares	Percentage of the Issued share capital
Mangrove Global Limited	8,503,000	8.50
Gartmore Investment Limited	5,981,401	5.98
Bainunah Trading Limited	5,874,155	5.87
Credit Agricole Cheuvreux International Limited	3,900,650	3.90
Merrill Lynch Special Situations Fund	4,166,667	4.17
Artemis UK Smaller Companies Fund	4,166,667	4.17

### CORPORATE GOVERNANCE

The Directors recognise the importance of sound corporate governance

#### Adoption of new articles of association (resolution 9)

It is proposed to adopt new articles of association (the "New Articles") with effect from 1 June 2008. The New Articles update the Company's current articles of association (the "Current Articles") primarily to take account of changes in English company law brought about by certain provisions of the Companies Act 2006 that will be in force by or on 1 October 2008. The principal changes introduced in the New Articles are set out in Appendix 1 behind the Notice of Annual General Meeting. The changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the Companies Act 2006 have not been noted. Resolution 9 will be proposed as a special resolution.

#### The Board

The Board currently comprises two executive and two non-executive directors

#### Audit Committee

The Board has established an audit committee with formally delegated duties and responsibilities. The audit committee comprises the two Non-executive Directors David Norwood and Beatrice Hollond with Beatrice as Chairman.

#### Remuneration Committee

The Company established a remuneration committee in March 2007 which will meet as and when required. The remuneration committee comprises the two Non-executive Directors David Norwood and Beatrice Hollond with Beatrice as Chairman.

The policy of the committee is to reward executive Directors in line with the current remuneration of Directors in comparable businesses in order to recruit, motivate and retain high quality executives within a competitive market place.



There are two main elements of the remuneration packages for executive Directors and senior management

- Basic annual salary (including directors' fees) and benefits, and
- Discretionary annual bonus to be paid in accordance with a bonus scheme which is being developed by the remuneration committee

#### **Nominations Committee**

The Directors do not consider that, given the size of the Board, it is appropriate at this stage to have a nomination committee. However, this will be kept under regular review by the Board.

#### **Internal Control**

The Board is responsible for maintaining a sound system of internal control. The Board's measures are designed to manage, not eliminate risk, and such a system provides reasonable but not absolute assurance against material misstatement or loss.

Some key features of the internal control system are

- (i) Management accounts information, budgets, forecasts and business risk issues are regularly reviewed by the Board who meet at least 6 times per year,
- (ii) The Company has operational, accounting and employment policies in place,
- (iii) The Board actively identifies and evaluates the risks inherent in the business and ensures that appropriate controls and procedures are in place to manage these risks, and
- (iv) There is a clearly defined organizational structure and there are well-established financial reporting and control systems.

#### **Going Concern**

The Directors confirm that they are satisfied that the Company and Group have adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### **DONATIONS**

No charitable or political donations were made in the year (2007: £nil).

#### **POLICY ON PAYMENT OF CREDITORS**

It is Group and Company policy to agree and clearly communicate the terms of payment as part of the commercial arrangements negotiated with suppliers and then to pay according to those terms based on the timely receipt of an accurate invoice.

Trade creditor days at 31 January 2008 were 45 days (2007: 30 days).

#### **EMPLOYMENT POLICIES**

The Group supports employment of disabled people wherever possible through recruitment, by retention of those who become disabled and generally through training, career development and promotion.

## Directors' Report

The Group is committed to keeping employees as fully-informed as possible with regard to the Group's performance and prospects and seeks their views, wherever possible, on matters which affect them as employees

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

UK Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law the Directors are required to prepare Group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and have elected to prepare the Company financial statements in accordance with IFRS as adopted by the EU.

The Group financial statements are required by law and IFRS adopted by the EU to present fairly the financial position and performance of the Group, the Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

The Company financial statements are required by law to give a true and fair view of the state of affairs of the Company.

In preparing each of the Group and Company financial statements, the Directors are required to

- (a) select suitable accounting policies and then apply them consistently,
- (b) make judgements and estimates that are reasonable and prudent,
- (c) state whether they have been prepared in accordance with IFRSs adopted by the EU, and
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and 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 requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the maintenance and integrity of the Ora website, [www.oracp.com](http://www.oracp.com).

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITORS**

The Directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

**AUDITORS**

In accordance with section 385 of the Companies Act 1985, a resolution to re-appoint Baker Tilly UK Audit LLP will be put to the members at the Annual General Meeting.

By order of the board

Michael Bretherton  
Company Secretary  
29 April 2008

A handwritten signature in black ink, appearing to read 'Michael Bretherton', is written over the printed name and title of the Company Secretary.

# Independent Auditors' Report to the Members of ORA Capital Partners PLC

We have audited the Group and Parent Company financial statements on pages 14 to 39

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 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 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 Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union ("EU") are set out in the Statement of Directors' Responsibilities.

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 whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. The information given in the Directors' Report includes that specific information presented in the Chairman's Statement that is cross-referenced from the Business Review section of the Directors' Report.

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 other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Report and Chairman's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

## **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 Group's and 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.

**Opinion**

In our opinion

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, as applied in accordance with the provisions of the Companies Act 1985, of the state of the Group's affairs as at 31 January 2008 and of its profit for the year then ended,
- the Parent Company financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU as applied in accordance with the provisions of the Companies Act 1985, of the state of the Parent Company's affairs as at 31 January 2008,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

*Baker Tilly UK Audit LLP*

BAKER TILLY UK AUDIT LLP  
Registered Auditor  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST  
29 April 2008

# Consolidated Income Statement

For the year ended 31 January 2008

	Notes	Year to 31 January 2008 £'000	Period to 31 January 2007 £'000
<b>Continuing Operations</b>			
Revenue	2	42,429	1,759
Administrative expenses		(2,134)	(501)
Depreciation charges	11	(122)	(27)
<b>Net Operating Expenses</b>		(2,256)	(528)
<b>Operating Profit</b>	5	40,173	1,231
Interest payable	4	(1,535)	(283)
Interest receivable	4	2,324	1,062
<b>Profit Before Taxation</b>	3	40,962	2,010
Taxation	7	(429)	(602)
<b>Profit For The Period From Continuing Operations</b>		40,533	1,408
<b>Discontinued Operations</b>			
Profit/(loss) after tax from discontinued operations	21	58	(11)
<b>Profit For The Period</b>		40,591	1,397
<b>Attributable To</b>			
Equity holders of parent		40,475	1,426
Minority interest	18	116	(29)
		40,591	1,397
<b>Earnings Per Share</b>			
Basic and diluted on profit for the period	8	43 08p	2 68p
Basic and diluted on profit from continuing operations	8	43 03p	2 70p

Comparative figures comprise the period from incorporation on 7 November 2005 to 31 January 2007

The profit for the period arises from the Group's continuing operations and includes contributions from subsidiaries acquired in the period as set out in note 20 of the financial statements and from subsidiaries disposed of up until the date of disposal as set out in note 21 of the financial statements

# Statements of Changes in Equity

For the year ended 31 January 2008

## The Group

	Attributable to equity holders of the Company				Total Equity £'000
	Share Capital £'000	Share Premium £'000	Retained Earnings £'000	Minority Interest £'000	
<b>At 7 November 2005</b>	-	-	-	-	-
Profit for the period	-	-	1,397	-	1,397
Loss attributable to minority interest	-	-	29	(29)	-
Issue of shares	707	31,144	-	-	31,851
Expenses of issue of shares	-	(74)	-	-	(74)
Share of net assets at acquisition attributable to minority interests	-	-	-	2,724	2,724
<b>At 31 January 2007</b>	707	31,070	1,426	2,695	35,898
Profit for the period	-	-	40,591	-	40,591
Profit attributable to minority interest	-	-	(116)	116	-
Issue of shares	293	34,921	-	-	35,214
Expenses of issue of shares	-	(437)	-	-	(437)
Share of net assets at acquisition attributable to minority interests	-	-	-	1,725	1,725
Share of net assets on deconsolidation attributable to minority interests	-	-	-	(2,583)	(2,583)
<b>At 31 January 2008</b>	1,000	65,554	41,901	1,953	110,408

## The Company

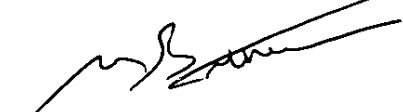
	Attributable to equity holders of the Company				Total Equity £'000
	Share Capital £'000	Share Premium £'000	Retained Earnings £'000	Minority Interest £'000	
<b>At 7 November 2005</b>	-	-	-	-	-
Profit for the period	-	-	1,478	-	1,478
Issue of shares	707	31,144	-	-	31,851
Expenses of issue of shares	-	(74)	-	-	(74)
<b>At 31 January 2007</b>	707	31,070	1,478	-	33,255
Profit for the period	-	-	43,012	-	43,012
Issue of shares	293	34,921	-	-	35,214
Expenses of issue of shares	-	(437)	-	-	(437)
<b>At 31 January 2008</b>	1,000	65,554	44,490	-	111,044

# Balance Sheets

As at 31 January 2008

	Notes	Group Year to 31 January 2008 £'000	Group Period to 31 January 2007 £'000	Company Year to 31 January 2008 £'000	Company Period to 31 January 2007 £'000
<b>Assets</b>					
<b>Non-current assets</b>					
Investment portfolio	9	60,283	3,221	60,053	2,991
Investment in subsidiaries	10	-	-	6,430	4,348
Property, plant and equipment	11	503	143	48	75
Intangible assets – goodwill	12	2,047	240	-	-
		62,833	3,604	66,531	7,414
<b>Current assets</b>					
Trade and other receivables	13	827	235	8,869	405
Investments in trading securities	15	3,964	569	3,629	569
Derivative trading assets	15	2,931	41	123	41
Cash and cash equivalents	15	44,863	32,418	34,581	25,731
		52,585	33,263	47,202	26,746
<b>Total Assets</b>		<b>115,418</b>	<b>36,867</b>	<b>113,733</b>	<b>34,160</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	14	(770)	(112)	(323)	(48)
Current tax liabilities		(372)	(602)	(346)	(602)
Derivatives trading liabilities	15	(3,822)	(255)	(2,020)	(255)
		(4,964)	(969)	(2,689)	(905)
<b>Non-current liabilities</b>					
Deferred tax liabilities		(46)	-	-	-
<b>Total Liabilities</b>		<b>(5,010)</b>	<b>(969)</b>	<b>(2,689)</b>	<b>(905)</b>
<b>Net Assets</b>		<b>110,408</b>	<b>35,898</b>	<b>111,044</b>	<b>33,255</b>
<b>Equity</b>					
Issued share capital	16	1,000	707	1,000	707
Share premium	17	65,554	31,070	65,554	31,070
Retained earnings		41,901	1,426	44,490	1,478
<b>Equity attributable to equity holders of parent</b>		<b>108,455</b>	<b>33,203</b>	<b>111,044</b>	<b>33,255</b>
Minority interest	18	1,953	2,695	-	-
<b>Total Equity</b>		<b>110,408</b>	<b>35,898</b>	<b>111,044</b>	<b>33,255</b>

Approved by the board and authorised for issue on 29 April 2008


R I Griffiths  
Executive Chairman

M A Bretherton  
Finance Director



# Cash Flow Statements

For the year ended 31 January 2008

	Notes	Group Year to 31 January 2008 £'000	Group Period to 31 January 2007 £'000	Company Year to 31 January 2008 £'000	Company Period to 31 January 2007 £'000
<b>Operating Activities</b>					
Operating profit from continuing operations		40,173	1,231	41,731	1,304
Profit/(loss) before tax from discontinued operations		78	(11)	-	-
Adjustment for non-cash items					
Depreciation of property, plant and equipment	11	122	27	35	25
Unrealised profit on partial disposal of subsidiary	20	(357)	-	-	-
Unrealised profit on deconsolidation disposals	21	(1,179)	-	(1,219)	-
Unrealised (gain)/loss on revaluation of portfolio investments	9	(38,906)	(60)	(38,906)	85
Unrealised (profits)/losses on other trading investments		(633)	145	525	-
<b>Operating cash (out)/inflow</b>		<b>(702)</b>	<b>1,332</b>	<b>2,166</b>	<b>1,414</b>
Purchase of trading securities		(2,037)	(500)	(1,902)	(500)
Increase in trade and other receivables		(667)	(177)	(81)	(347)
Increase/(decrease) in trade and other payables		621	(268)	272	48
Interest paid		(1,535)	(283)	(739)	(283)
Taxation paid		(613)	-	(613)	-
<b>Net cash (out)/in flow from operations</b>		<b>(4,933)</b>	<b>104</b>	<b>(897)</b>	<b>332</b>
<b>Investing Activities</b>					
Interest received		2,324	1,004	2,134	1,001
Purchases of property, plant and equipment	11	(463)	(170)	(8)	(100)
Purchase of portfolio investments	9	(10,413)	(3,161)	(10,413)	(2,931)
Sale of portfolio investments	9	310	-	310	-
Acquisitions of subsidiaries	20	(8,934)	(4,348)	(8,916)	(4,348)
Loans granted to subsidiary undertakings	13	-	-	(8,137)	-
Cash and bank in subsidiaries at acquisition	20	9,004	7,212	-	-
Cash and bank in deconsolidated subsidiaries	21	(9,227)	-	-	-
<b>Net cash (out)/inflow from investing activities</b>		<b>(17,399)</b>	<b>537</b>	<b>(25,030)</b>	<b>(6,378)</b>
<b>Financing Activities</b>					
Proceeds from issue of share capital	16	35,214	31,851	35,214	31,851
Expense of issue of share capital	17	(437)	(74)	(437)	(74)
<b>Net cash inflow from financing activities</b>		<b>34,777</b>	<b>31,777</b>	<b>34,777</b>	<b>31,777</b>
<b>Increase in Cash and Cash Equivalents</b>		<b>12,445</b>	<b>32,418</b>	<b>8,850</b>	<b>25,731</b>
Cash and cash equivalents at start of period		32,418	-	25,731	-
<b>Cash and Cash Equivalents at End of Period</b>		<b>44,863</b>	<b>32,418</b>	<b>34,581</b>	<b>25,731</b>

Comparative figures comprise the period from incorporation on 7 November 2005 to 31 January 2007

# Notes to the Financial Statements

## 1 ACCOUNTING POLICIES

### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with International Financial Reporting Standards ("IFRS") as adopted in the EU

### CONSOLIDATION

The consolidated financial statements incorporate those of Ora Capital Partners Plc and all of its subsidiary undertakings for the year

As provided by section 230 of the Companies Act 1985, no income statement is presented for ORA Capital Partners Plc. The profit after tax dealt with in the income statement of the Company for the year ended to 31 January 2008 amounted to £43,012,000 (2007 £1,478,000)

### Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than half of the voting rights. The existence and effects of potential voting rights are considered when assessing whether the Group controls the entity. Subsidiaries are fully consolidated from the date control passes.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The costs of an acquisition are measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at acquisition date irrespective of the extent of any minority interest. The difference between the cost of acquisition of shares in subsidiaries and the fair value of the identifiable net assets acquired is capitalised as goodwill and reviewed annually for impairment. Any deficiency of the cost of acquisition below the fair value of identifiable net assets acquired (i.e. discount on acquisition) is recognised directly in the income statement.

All intra-group transactions, balances, and unrealised gains on transactions between group companies are eliminated on consolidation. Subsidiaries' accounting policies are amended where necessary to ensure consistency with the policies adopted by the Group. All financial statements are made up to 31 January 2008.

### Associates and significant investments

Associates are entities over which the Group has significant influence, but does not control, generally accompanied by a participating interest of between 20 per cent and 50 per cent in the voting rights.

Equity accounting is not applied for investments in associates which are instead held at fair value in the balance sheet. This treatment is permitted by IAS 28 "Investments in Associates" which allows investments held by entities which are akin to that of venture capital organisations to be excluded from its scope and for such investments in associates to be accounted for in accordance with IAS 39 *Financial Instruments: Recognition and Measurement* and designated at fair value through the income statement in line with the accounting policy applied to the Group's Investment Portfolio Assets as detailed below.

### Deemed disposals

Where the Group ceases to control an entity by means other than physical disposal, such as by the entity issuing shares to other non-group parties, the entity ceases to be a subsidiary and is no longer consolidated. In these circumstances, the entity is re-instated as an investment at its fair value and any gain or loss arising on the disposal is recognised in the income statement.

### REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable in the normal course of business, net of discounts, VAT and other sales related taxes and is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow in to the Group.

**(i) Business portfolio return**

Business portfolio return represents the sum of realised profit and losses over fair value on the disposal of investment portfolio assets and the movement in fair value of those investments and any related investment income received and receivable

Realised profits and losses over value on the disposal of investments is the difference between the fair value of the consideration received less any directly attributable costs on the sale and the fair value of the investments at the start of the accounting period or acquisition date if later

Unrealised profits and losses on the revaluation of investments is the movement in carrying value of investments between the start of the accounting period or acquisition date if later and the end of the accounting period

Fee income earned from investee companies is recognised to the extent that it is probable that the economic benefit will flow in to the Group and the income can be reliably measured

Dividends from investments are recognised when the shareholders' rights to receive payment have been established

**(ii) Advisory fees**

Fees for advisory work are recognised in the income statement when the related services are performed

**(iii) Financial services revenues**

Financial service revenues comprise corporate finance fees and stockbroking commissions, together with profits and losses arising on sales of and positions held in the securities of customer companies from which securities have been received in settlement of corporate finance fees

**(iv) Financial trading income**

Income from securities and derivatives trading activities comprises all realised gains and losses on trading and unrealised changes in the fair value of financial assets and liabilities held for trading, together with any related dividend income on positions held

**LEASES**

Leases where the lessor retains substantially all of the risks and rewards of ownership are classified as operating leases and the rentals payments are charged to the profit and loss on a straight-line basis over the lease term

**INVESTMENT PORTFOLIO ASSETS**

Investment assets that are held by the Group with a long-term view to the ultimate realisation of capital gains, are classified as investment portfolio assets and are stated at the Directors' estimate of their fair value on the following basis

- (i) Listed investments and quoted shares for which an active market exists are valued at closing bid-market price at the reporting date
- (ii) Unquoted investments are valued by the Directors as follows
  - new investments are generally valued at cost until the first set of accounts for a full financial period subsequent to investment, are received
  - other investments are valued based on an estimate of the fair value for the investee company derived using various methodologies which include applying an average sector earnings multiple to operating profits, valuation by reference to net asset base, sales basis and the price of recent subscriptions and investments made in the investee company
  - investments in companies that are still in a development phase and are incurring losses, are generally valued at cost unless there have been more recent benchmark subscriptions and investments which give a guide to fair value, or where there are factors that indicate an impairment in value has occurred

## Notes to the Financial Statements

Movements in the carrying value of investment portfolio assets between the start of the accounting period or acquisition date if later and the end of the accounting period, are recognised as unrealised profits and losses in the income statement

### INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are stated in the balance sheet at cost less provision for any impairment

### PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment assets are stated at historical cost

Depreciation is provided on all property, plant and equipment assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows

Leasehold improvements	over the term of the lease
Office furniture and fittings	over 3 years
Computer and IT equipment	over 3 years

### INTANGIBLE ASSETS – GOODWILL

Goodwill arising on consolidation of subsidiaries represents the excess of the fair value of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities at the date of acquisition

Goodwill is tested for impairment annually and whenever there is an indication that the asset may be impaired

### IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

At each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any)

Discounted cash flow valuation techniques are generally applied for assessing recoverable amounts using 5 year forward looking cash flow projections and terminal value estimates, together with discount rates appropriate to the risk of the related cash generating units

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately

### FINANCIAL ASSETS AND LIABILITIES

#### Trade and other receivables

Trade and other receivables do not carry any interest and are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment

#### Investments in trading securities

Investments in trading securities are stated at the Directors' estimate of their fair value on the same basis as for investment portfolio assets

#### Derivative trading assets and liabilities

Purchases and sales of derivative financial instruments are recognised at the trade date which is the date that the Group becomes a party to the contractual provisions of the instrument. The Group only trades in derivative financial instruments that are quoted in active markets and the related financial assets and liabilities are stated at fair values based on the contracted actual costs and the quoted market prices of those instruments. Changes in the fair value of derivative financial instruments are recognised in the income statement as they arise

#### Trade and other payables

Trade and other payables are not interest bearing and are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at hand and deposits on a term of not greater than 3 months

**TAXATION**

The tax expense represents the sum of the tax currently payable and deferred tax

The tax currently payable is based on taxable profit for the period. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity

**CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions that have the most significant effects on the carrying amounts of the assets and liabilities in the financial statements are discussed below

- (i) Impairment of goodwill – The Group is required to test at least annually, whether goodwill has suffered any impairment. The recoverable amount is determined using value in use calculations. The use of this method requires the estimation of future cash flows and the selection of a suitable discount rate in order to calculate the present value of these cash flows. The carrying value of goodwill at the balance sheet date is £2,047,000 (2007 £240,000)
- (ii) Valuation of quoted investments – These are valued at closing bid market price and in accordance with International Financial Reporting Standards, no discount is applied for liquidity of the stock or any dealing restrictions. However, it may not always be possible to trade at the quoted bid market price. Quoted portfolio investments are carried in the balance sheet as at 31 January 2008 at a valuation of £45,667,000 (2007 £nil) and listed investments in trading securities are carried at a valuation of £3,964,000 (2007 £569,000)
- (iii) Valuation of unquoted investments – The judgements required in order to determine the appropriate valuation methodology of unquoted investments include making assessments of the future earnings potential of portfolio companies, appropriate earnings multiples to apply, and marketability discounts. Unquoted portfolio investments are carried in the balance sheet at 31 January 2008 at a valuation of £14,616,000 (2007 £3,221,000)
- (iv) Deferred taxation liabilities – The Group considers that the majority of its business portfolio gains relating to revaluations and disposals of subsidiaries and portfolio investments are eligible for tax exemption under substantial shareholder relief and as such no deferred taxation liabilities have been provided for on these gains. Actual eligibility for substantial shareholder can not be agreed with HM Revenue and Customs in advance. The maximum potential liability at the balance sheet date is £12,133,000 (2007 £nil)

## Notes to the Financial Statements

### ACCOUNTING STANDARDS AND INTERPRETATIONS NOT APPLIED

At the date of authorisation of these financial statements, the following Standards and Interpretations that have not been applied in these financial statements were in issue but not yet effective or endorsed (unless otherwise stated)

- IFRS 2      Share based payment – Amendments relating to vesting conditions and cancellations
- IFRS 3      Business Combinations – Amendments
- IFRS 7      Financial Instruments Disclosures – Consequential amendments arising from amendments to IAS32
- IFRS 8      Operating Segments (endorsed)
- IAS 1      Presentation of Financial Statements – Revised
- IAS 1      Presentation of Financial Statements – Amendments relating to Puttable Financial Instruments and obligations arising on liquidation
- IAS 23      Borrowing Costs – Amendment
- IAS 27      Consolidated and separate Financial Statements – Consequential amendments arising from amendments from IFRS3
- IAS 28      Investments in Associates – Consequential amendments arising from amendments to IFRS3
- IAS 31      Interest in Joint Ventures – Consequential amendments arising from amendments to IFRS3
- IAS 32      Financial Instruments Presentation – Amendments relating to Puttable Financial Instruments and obligations arising on liquidation
- IAS 39      Financial Instruments Recognition and Measurement – Consequential amendments arising from amendments to IAS 32
- IFRIC 2      Members' Shares in Co-operative Entities and Similar Instruments – Consequential amendments arising from amendments to IAS 32
- IFRIC 11      IFRS 2 – Group and Treasury Share Transactions (endorsed)
- IFRIC 12      Service Concession Arrangements
- IFRIC 13      Customer loyalty programmes
- IFRIC 14      IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group

## 2 REVENUE ANALYSIS

		Year to 31 January 2008 £'000	Period to 31 January 2007 £'000
The Group	Notes		
Unrealised gain on revaluation of portfolio investments	9	38,906	60
Unrealised profit on partial disposal of subsidiary	20	357	-
Unrealised profit on deconsolidation of subsidiaries	21	1,179	-
Profit on disposal of shares in subsidiary	20	83	-
<b>Gross portfolio return</b>		40,525	60
Advisory fees and other revenues		158	234
Financial services revenues		1,562	-
Financial trading income		184	1,465
<b>Total revenue</b>		42,429	1,759

## 3 SEGMENTAL REPORTING ANALYSIS

Ora Capital Partners Plc is a holding and management company the principal activity of which is the development and growth of trading companies within its business portfolio together with the development and growth of its financial services subsidiaries. These activities are reported in the Business Portfolio Return and Advisory Fees sector and the Financial Services sector respectively.

In addition, the Company may commit surplus cash to specific opportunities where the management team considers there to be potential for significant value creation which may include the acquisition of equities and derivative financial instruments. These activities are reported in the Financial Trading sector.

The Group's turnover and profit before taxation were all derived from its principal activities in the sectors noted below and were wholly undertaken in the United Kingdom.

	Year ended 31 January 2008			
	Business Portfolio Return and Advisory Fees £'000	Financial Services £'000	Financial Trading £'000	Total £'000
<b>Income statement</b>				
Revenues	40,683	1,562	184	42,429
Administrative expenses	(695)	(1,235)	(204)	(2,134)
Depreciation charges	(28)	(87)	(7)	(122)
Profit/(loss) before interest	39,960	240	(27)	40,173
Net interest	2,377	116	(1,704)	789
Profit/(loss) before tax	42,337	356	(1,731)	40,962
<b>Balance sheet</b>				
Assets	89,485	6,379	19,554	115,418
Liabilities	(888)	(300)	(3,822)	(5,010)
Net assets	88,597	6,079	15,732	110,408

## Notes to the Financial Statements

## Period ended 31 January 2007

	Business Portfolio Return and Advisory Fees £'000	Financial Services £'000	Financial Trading £'000	Total £'000
<b>Income statement</b>				
Revenues	294	–	1,465	1,759
Administrative expenses	(337)	(69)	(95)	(501)
Depreciation charges	(23)	(2)	(2)	(27)
Profit/(loss)before interest	(66)	(71)	1,368	1,231
Net interest	1,059	3	(283)	779
Profit/(loss)before tax	993	(68)	1,085	2,010
<b>Balance sheet</b>				
Assets	34,196	634	2,037	36,867
Liabilities	(347)	(42)	(580)	(969)
Net assets	33,849	592	1,457	35,898

**4 NET INTEREST RECEIVABLE/(PAYABLE)**

	Year to 31 January 2008 £'000	Period to 31 January 2007 £'000
<b>The Group</b>		
Interest receivable		
Bank interest receivable	2,090	947
Other interest	234	115
	2,324	1,062
Interest payable		
Other interest	(1,535)	(283)
Net interest receivable	789	779

Other interest payable mainly relates to funding costs payable on derivative financial instruments



**5 OPERATING PROFIT**

	Year to 31 January 2008 £'000	Period to 31 January 2007 £'000
<b>The Group</b>		
Operating profit is stated after charging		
Depreciation of property, plant and equipment	122	27
Staff costs (see note 6)	991	219
Foreign exchange losses	(7)	(1)
Operating lease rentals		
Land and buildings	236	72
Other leases	41	4
Auditors remuneration		
Audit services		
– fees payable to company auditor for the audit of the parent and consolidated accounts	19	15
Non – audit services		
Fees payable to company auditor for other services		
– auditing the accounts of subsidiaries pursuant to legislation	37	17
– other services supplied under legislation	75	93
Total auditors remuneration	131	125

**6 STAFF COSTS**

	2008 Number	2007 Number
<b>The Group</b>		
The average monthly number of persons (including directors) employed by the Group during the year was		
Administration and management	22	6

	Year to 31 January 2008 £'000	Period to 31 January 2007 £'000
<b>The aggregate remuneration comprised</b>		
Wages and Salaries	889	197
Social Security costs	102	22
	991	219

Directors remuneration included in the aggregate remuneration above comprised

Emoluments for qualifying services	155	28
------------------------------------	-----	----

Directors emoluments disclosed above include £99,000 paid to the highest paid director (2007 £9,000)

# Notes to the Financial Statements

## 7 TAXATION

	Year to 31 January 2008 £'000	Period to 31 January 2007 £'000
<b>The Group</b>		
<b>Current tax</b>		
UK corporation tax on profits in the year	401	584
<b>Current deferred tax</b>		
Origination and reversal of timing differences	(18)	18
<b>Non-current deferred tax</b>		
Origination and reversal of timing differences	46	-
<b>Tax on profit on ordinary activities</b>	<b>429</b>	<b>602</b>

	Year to 31 January 2008 £'000	Period to 31 January 2007 £'000
<b>The Group</b>		
<b>Factors affecting tax charge for the year</b>		
The tax assessed for the period varies from the standard rate of corporation tax as explained below		
Profit on ordinary activities before tax	40,962	2,010
Profit on ordinary activities multiplied by the standard rate of corporation tax (30%)	12,288	603
Effects of		
Expenses not deductible for tax purposes	21	5
Non-taxable gains *	(12,133)	-
Adjustments in respect of prior periods	13	-
Unutilised tax losses in subsidiaries	231	10
Other items	9	(16)
<b>Tax charge for the year</b>	<b>429</b>	<b>602</b>

\* Mainly reflects allowance for tax exemption on business portfolio returns under substantial shareholdings relief

The Group has estimated losses of £922,000 available for carry forward against future trading profit

## 8 EARNINGS PER SHARE

Basic earnings per share is based on the profit for the year of £40,475,000 attributable to equity holders of the parent divided by the weighted average number of ordinary shares in issue during the year of 93,953,576 (period to 31 January 2007 profit £1,426,000 divided by the weighted average of 53,165,068 shares), see note 16 for details of movements in share capital in the year. Fully diluted earnings per share are the same as basic earnings per share.

Continuing operations basic earnings per share is based on the same weighted average number of shares as above applied to profit from continuing operations for the year of £40,428,000 attributable to equity holders of the parent (period to 31 January 2007 profit £1,437,000). Fully diluted continuing operations earnings per share are the same as basic continuing operations earnings per share.

## 9 INVESTMENT PORTFOLIO

### The Group

	Unquoted Equity Shares £'000	Quoted Equity Shares £'000	Total Equity Shares £'000
<b>Book value at 1 February 2007</b>	3,221	–	3,221
Additions	1,820	8,593	10,413
Disposals	(310)	–	(310)
Transfers between quoted and unquoted	(500)	500	–
Transfers from investment in subsidiaries on deconsolidation (note 21)	2,968	5,085	8,053
Unrealised gain on the revaluation of investments	7,417	31,489	38,906
<b>Book value at 31 January 2008</b>	<b>14,616</b>	<b>45,667</b>	<b>60,283</b>

### The Company

	Unquoted Equity Shares £'000	Quoted Equity Shares £'000	Total Equity Shares £'000
<b>Book value at 1 February 2007</b>	2,991	–	2,991
Additions	1,820	8,593	10,413
Disposals	(310)	–	(310)
Transfers between quoted and unquoted	(500)	500	–
Transfers from investment in subsidiaries on deconsolidation (note 21)	2,968	5,085	8,053
Unrealised profits on the revaluation of investments	7,417	31,489	38,906
<b>Book value at 31 January 2008</b>	<b>14,386</b>	<b>45,667</b>	<b>60,053</b>

At 31 January 2008 the Group has portfolio investments where it holds 20 per cent or more of the issued share capital of the following companies

Undertaking	Sector	Quoted/ unquoted	31 January 2008 Share of issued ordinary share capital %	Net Assets £000	Profit/(loss) before tax £000	Date of financial statements
AnSCO Petroleum Limited	Resources	Unquoted	48.1	–	–	–
Nanoco Tech Plc	Technology	Unquoted	43.0	5,205	(555)	31.07.07
Obtala Resources Plc	Resources	Unquoted	37.1	17,991	4	29.02.08
Oxeco Plc	Technology	Quoted	45.3	4,875	(58)	31.01.08
Oxford Advanced Surfaces Plc	Technology	Quoted	28.1	7,745	30	31.07.07

The companies are all incorporated in England and Wales and operate wholly or mainly in the country of incorporation, with the exception of AnSCO and Obtala both of which have subsidiaries operating in Africa

In addition, at 31 January 2008 the Group has within portfolio investments 5,000,000 units in the Rock Island Investments Limited fund which represented 49.7 per cent of that fund (nil at 31 January 2007)

No financial information is presented in respect of companies that have yet to provide audited accounts

The market capitalisation as at 31 January 2008 of the quoted entities within the investment portfolio were £90.0 million for Oxford Advanced Surfaces Plc and £24.0 million for Oxeco Plc. Obtala Resources Plc was subsequently admitted to AIM on 24 April 2008 with a market capitalisation of £35.5 million at which time Ora's holding was 33.4 per cent

The Directors consider that the carrying amount of the investment portfolio approximates to fair value

# Notes to the Financial Statements

## 10 INVESTMENT IN SUBSIDIARIES

### Company

	£'000
<b>Cost and book value at 31 January 2007</b>	4,348
Additions (note 20)	8,934
Disposals (note 20)	(18)
Transfers on deconsolidation of subsidiaries	(6,834)
<b>Cost and book value at 31 January 2008</b>	6,430

There has been no impairment loss to investments in subsidiaries in the period

At 31 January 2008 the Company had investments in subsidiaries where it holds 50 per cent or more of the issued share capital of the following companies

Undertaking	Sector	31 January 2008 Share of issued ordinary share capital %	31 January 2007 Share of issued ordinary share capital %
OCS Trading Ltd	Derivatives and equities trading	100.0	–
OCP Investments Ltd	Investment	100.0	100.0
Novum Securities Limited (formerly Bankora Limited)	Financial Services/Investment Banking	61.4	64.9
Novum Private Clients Limited (formerly Luke Securities Limited)	Financial Services	100.0*	–
Oxeco Plc	Technology	See note 9	67.9
Oxford Advanced Surfaces Plc (formerly Kanyon Plc)	Technology	See note 9	52.7

Share capital is owned by Novum Securities Limited. All other shareholdings are owned by Ora Capital Partners Plc.

The companies are all incorporated in England and Wales and operate wholly or mainly in the country of incorporation.

**11 PROPERTY, PLANT AND EQUIPMENT****The Group**

	<b>Leasehold improvements £'000</b>	<b>Fixtures &amp; equipment £'000</b>	<b>Computer equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>				
At 1 February 2007	51	40	79	170
Acquisition of subsidiaries (note 20)	–	15	4	19
Additions	289	69	105	463
At 31 January 2008	340	124	188	652
<b>Depreciation</b>				
At 1 February 2007	13	10	4	27
Charge for the year	30	35	57	122
At 31 January 2008	43	45	61	149
<b>Net book value</b>				
At 31 January 2008	297	79	127	503
At 31 January 2007	38	30	75	143

**The Company**

	<b>Leasehold improvements £'000</b>	<b>Fixtures &amp; equipment £'000</b>	<b>Computer equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>				
At 1 February 2007	51	40	9	100
Additions	–	–	8	8
At 31 January 2008	51	40	17	108
<b>Depreciation</b>				
At 1 February 2007	13	10	2	25
Charge for the year	18	13	4	35
At 31 January 2008	31	23	6	60
<b>Net book value</b>				
At 31 January 2008	20	17	11	48
At 31 January 2007	38	30	7	75

**12 GOODWILL****The Group**

	<b>£'000</b>
<b>Cost and book value at 1 February 2007</b>	240
Arising on acquisition of subsidiaries (note 20)	1,983
Partial disposal of subsidiary (note 20)	(86)
Deconsolidation disposal of subsidiaries (note 21)	(90)
<b>Cost and book value at 31 January 2007</b>	2,047

All of the goodwill at 31 January 2008 relates to the Group's Financial Services cash generating unit and is principally attributable to synergy benefits expected to arise within that unit

There has been no impairment loss to goodwill in the prior or current year

# Notes to the Financial Statements

## 13 TRADE AND OTHER RECEIVABLES

	Group 2008 £'000	Group 2007 £'000	Company 2008 £'000	Company 2007 £'000
Trade receivables	104	43	5	43
Receivables from subsidiary undertakings	–	–	473	233
Loans to subsidiary undertakings	–	–	8,137	–
Other debtors	468	153	214	107
Prepayments and accrued income	255	39	40	22
	827	235	8,869	405

Loans to subsidiary undertakings are repayable on demand and carry interest at 8 per cent per annum. Further information in relation to these loans is given in note 22.

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

## 14 TRADE AND OTHER PAYABLES

	Group 2008 £'000	Group 2007 £'000	Company 2008 £'000	Company 2007 £'000
Trade payables	191	7	19	6
Other payables	296	11	259	–
Other taxes and social security	32	23	17	16
Accruals	251	71	28	26
	770	112	323	48

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

## 15 RISK MANAGEMENT OF FINANCIAL ASSETS AND LIABILITIES

The Group is exposed to a number of risks through its normal operations, the most significant of which are market, credit and liquidity risks. The management of these risks is vested in the Board of Directors.

### Categorisation of financial instruments

Financial assets/liabilities	At fair value through profit and loss			Total £'000
	Designated upon initial recognition £'000	Held for trading £'000	Loans and receivables £'000	
<b>At 31 January 2008</b>				
Investment portfolio	60,283	–	–	60,283
Trade and other receivables	–	–	572	572
Investments in trading securities	–	3,964	–	3,964
Derivative trading assets	–	2,931	–	2,931
Cash and cash equivalents	–	–	44,863	44,863
Derivatives trading liabilities	–	(3,822)	–	(3,822)
<b>TOTAL</b>	<b>60,283</b>	<b>3,073</b>	<b>45,435</b>	<b>108,791</b>

Financial assets/liabilities	At fair value through profit and loss			Total £'000
	Designated upon initial recognition £'000	Held for trading £'000	Loans and receivables £'000	
<b>At 31 January 2007</b>				
Investment portfolio	3,221	–	–	3,221
Trade and other receivables	–	–	196	196
Investments in trading securities	–	569	–	569
Derivative trading assets	–	41	–	41
Cash and cash equivalents	–	–	32,418	32,418
Derivatives trading liabilities	–	(255)	–	(255)
<b>NET TOTAL</b>	<b>3,221</b>	<b>355</b>	<b>32,614</b>	<b>36,190</b>

All financial liabilities other than the derivative trading liabilities referred to above are categorised as other financial liabilities and recognised at amortised cost. These amounted to £738,000 at 31 January 2008 (2007 £89,000).

Fair value gains in the year that are attributable to financial assets designated at fair value through profit and loss on initial recognition, amounted to £40,525,000 as set out in note 2 to the financial statements (2007 £60,000).

Fair value gains in the year that are attributable to held for trading financial assets and liabilities, amounted to £336,000 comprising £184,000 included as financial trading income and £152,000 included within financial services revenues as set out in note 2 to the financial statements (2007 £1,465,000).

The disclosures above are only provided on a Group consolidated basis as the Directors do not believe there is any material benefit in providing similar information for the Company.

#### Management of market risk

The most significant areas of market risk to which the Group is exposed are price risk, interest risk and foreign exchange rate risk.

##### (i) Price risk

The Group is exposed to market price risk in respect of its portfolio investments and also its trading investments and derivative financial instruments. The Group mitigates this risk by having established investment appraisal processes and asset monitoring procedures which are subject to overall review by the Board.

The Company has in place certain procedures and levels of authority designed to control the level of commitment to such financial instruments, either in single investments or in aggregate. It is possible, however, with full Board approval, to commit the Company to notional exposures in relation to trading investments and derivative financial instruments of up to 80 per cent of the Company's net uncommitted cash resources.

Details of the Group's investment portfolio and subsidiaries are given in notes 9 and 10 to the financial statements.

# Notes to the Financial Statements

The Group and the Company's exposure to trading investments and derivative financial instruments at 31 January 2008 is set out below

## Trading investments and derivatives

	Group Quoted Instruments 2008 £'000	Group Quoted Instruments 2007 £'000	Company Quoted Instruments 2008 £'000	Company Quoted Instruments 2007 £'000
Investments in trading securities	3,964	569	3,629	569
Derivative financial instruments assets	2,931	41	123	41
Derivative financial instruments liabilities	(3,822)	(255)	(2,020)	(255)

The Group only trades in securities and derivative financial instruments that are quoted in active markets and the related financial assets and liabilities are stated at fair values based on the contracted actual costs and the quoted market prices of those instruments at the balance sheet date

The principal classes of derivative financial instruments in which the Group trades are Contracts for Difference and Put and Call Options

The table below summarises the impact on the Group's pre tax profit for the year and on equity of a 1 per cent increase/decrease in the price of both the investment portfolio and trading investment positions

	Quoted £'000	2008 Unquoted £'000	Total £'000	Quoted £'000	2007 Unquoted £'000	Total £'000
<b>Impact of 1% price change</b>						
Investment portfolio	457	146	603	–	32	32
Investments in trading securities	40	–	40	6	–	6
Derivative trading assets	328	–	328	61	–	61
Derivative trading liabilities	145	–	145	10	–	10
<b>Total</b>	<b>970</b>	<b>146</b>	<b>1,116</b>	<b>77</b>	<b>32</b>	<b>109</b>

At 31 January 2008, the Group had pledged cash and cash equivalents of £8,730,000 to brokers as collateral for liabilities or contingent liabilities relating to exposures on derivative trading assets and liabilities (2007 £1,427,000)

## (ii) Interest rate risk

As the Group has no significant borrowings it has only a limited interest rate risk. The principal impact to the Group is the result of interest-bearing cash and cash equivalent balances held as set out below

	Fixed rate £'000	2008 Floating rate £'000	Total £'000	Fixed rate £'000	2007 Floating rate £'000	Total £'000
Cash and cash equivalents	24,688	20,175	44,863	15,039	17,379	32,418

The impact of an increase/decrease by 1 percentage point in the rate of interest earned on the above year end interest-bearing cash and cash equivalent balances equates to £448,630 per annum (2007 £324,180) on the Group's pre tax profit for the year and on equity

## (iii) Foreign exchange rate risk

The Group has a limited level of exposure to foreign exchange rate risk through its foreign currency denominated cash balances and its foreign currency denominated derivative trading assets and liabilities exposures



The table below summarises the impact of a 1 per cent increase/decrease in the relevant foreign exchange rates versus the pound sterling rate, on the Group's pre tax profit for the year and on equity

	2008 £'000	2007 £'000
<b>Impact of 1% rate change</b>		
Cash and cash equivalents	13	3
Derivative trading assets	4	-
Derivative trading liabilities	-	-
<b>Total</b>	<b>17</b>	<b>3</b>

#### Management of credit risk

The Group's principal financial assets are bank balances and cash, portfolio and trading investments and also its derivative financial instrument assets

The Group deposits surplus liquid funds with counterparty banks that have high credit ratings. Likewise the Group seeks to limit credit risk on derivative financial instruments by trading with institutions that also have high credit ratings and where the Group's funds are deposited with those institutions in support of trading and margin calls, they are held in client segregated accounts

The maximum exposure to credit risk on the Group's financial assets and liabilities is represented by their carrying amount as outlined in the categorisation of financial instruments table above

The Group does not consider that any changes in fair value of financial assets or liabilities in the year are attributable to credit risk (2007 £nil)

No aged analysis of financial assets is presented as no financial assets are part due at the reporting date with the exception of trade receivables and other receivables, which the Directors do not consider to be material

#### Management of liquidity risk

The Group seeks to manage liquidity risk to ensure that sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Group deems there is sufficient liquidity for the foreseeable future

No maturity analysis for financial liabilities is presented, as the Directors consider that liquidity risk is not material

The Group and the Company had cash and cash equivalents at 31 January 2008 as set out below

#### Cash and cash equivalents

	Group 2008 £'000	Group 2007 £'000	Company 2008 £'000	Company 2007 £'000
Cash at banks	31,876	26,236	28,895	19,549
Cash with institutions in support of trading	12,987	6,182	5,686	6,182
	<b>44,863</b>	<b>32,418</b>	<b>34,581</b>	<b>25,731</b>

As at 31 January 2008 and 31 January 2007, with the exception of investment portfolio assets, investments in trading securities and deferred taxation balances, all financial assets and liabilities mature for payment within one year

# Notes to the Financial Statements

## 16 SHARE CAPITAL

### The Group and the Company

	Number	£'000
Authorised ordinary shares of 1p		
<b>At 31 January 2007 and 31 January 2008</b>	175,000,000	1,750
Allotted, issued and fully paid ordinary shares of 1p		
At 1 February 2007	70,654,689	707
Issue of ordinary shares	29,345,311	293
<b>At 31 January 2008</b>	100,000,000	1,000

On 17 April 2007 the Company issued 29,345,311 ordinary shares of 1p each at a price of 120p to raise gross subscription proceeds of £35,214,373 and which resulted in a share premium of £34,920,920

## 17 SHARE PREMIUM ACCOUNT

### The Group and the Company

	£'000
<b>At 1 February 2007</b>	31,070
Premium on issued shares in the period (note 16)	34,921
Expenses of issue of shares	(437)
<b>At 31 January 2008</b>	65,554

See note 16 to the financial statements for details of shares issued in the year

## 18 MINORITY INTERESTS

### The Group

	£'000
<b>At 1 February 2007</b>	2,695
Minority interests in net assets at acquisition (note 20)	1,725
Minority interests in share of profits post acquisition	116
Minority interests on deconsolidation disposal (note 21)	(2,583)
<b>At 31 January 2008</b>	1,953

## 19 COMMITMENTS UNDER OPERATING LEASES

At 31 January 2008 the Group and the Company had total commitments under non-cancellable operating leases falling due as follows

### The Group

	Land & Buildings 2008 £'000	Land & Buildings 2007 £'000	Other 2008 £'000	Other 2007 £'000
Expiring within one year	470	95	41	17
Expiring in one to two years	380	95	14	17
Expiring in second to fifth year	1,125	5	–	12
<b>Total commitments</b>	<b>1,975</b>	<b>195</b>	<b>55</b>	<b>46</b>

### The Company

	Land & Buildings 2008 £'000	Land & Buildings 2007 £'000	Other 2008 £'000	Other 2007 £'000
Expiring within one year	95	95	17	17
Expiring in one to two years	5	95	14	17
Expiring in second to fifth year	–	5	–	12
<b>Total commitments</b>	<b>100</b>	<b>195</b>	<b>31</b>	<b>46</b>

## 20 PURCHASE OF SUBSIDIARY UNDERTAKINGS AND DEEMED DISPOSAL

On 11 June 2007, the Company acquired 100 per cent. of the issued share capital of OCS Trading Limited (OCS Trading) by way of share subscriptions for £3.0 million. The principal activity of OCS Trading is the acquisition and trading of equities and derivative financial instruments specific to opportunities where the management team considers there to be potential for significant value creation through the deployment of surplus cash balances within the Group.

On 21 August 2007, the Company acquired 100 per cent. of the issued share capital of Obtala Limited (Obtala) by way of share subscriptions for £2,967,500. On 29 November 2007, Obtala Limited acquired 100 per cent. of the issued share capital of Mindex Invest Ltd. by issue of 100,000,000 new ordinary shares which resulted in a dilution of the Company's holding in Obtala to 37.1 per cent. at which time it ceased to be treated as subsidiary (see note 9 and note 21). The principal activity of Obtala is the acquisition of mineral resource licenses and the exploration and development of mineral projects which is undertaken through operating company subsidiaries.

During the period to 31 January 2007, the Company acquired 64.9 per cent. of the issued share capital of Bankora Limited (subsequently renamed Novum Securities Limited "Novum Securities") by way of share subscriptions. During April 2007 the Company sold shares in Novum Securities with a cost of £18,000 which gave rise to a realised profit of £83,000 and in June 2007 the Company subscribed for additional shares in Novum Securities for £2.75 million which increased its holding to 67.8 per cent. On 9 July 2007 the Company acquired 15 per cent. of the issued share capital of Luke Securities Limited (subsequently renamed Novum Private Clients Limited "Novum Private Clients") for a cash consideration of £215,000 and on the same day Novum Securities completed the 100 per cent. acquisition of Novum Private Clients settled by the issue of Novum Securities shares for a value of £1,437,000 together with the settlement in cash of costs of £18,000. This resulted in a dilution of the Company's holding in Novum Securities to 61.4 per cent. and gave rise to a profit of £357,000 on the deemed partial disposal of this subsidiary.

These transactions have been accounted for by the purchase method of accounting as summarised below inclusive of the dilutive impact to the Group resulting from the issue of Novum Securities shares in settlement of the Novum Private Clients acquisition.

# Notes to the Financial Statements

## 20 PURCHASE OF SUBSIDIARY UNDERTAKINGS AND DEEMED DISPOSAL (CONTINUED)

Year ended 31 January 2008

	OCS Trading £'000	Obtala £'000	Novum Securities £'000	Novum Private Clients £'000	Dilution and Partial Disposal £'000	Group Consolidated £'000
<b>Net assets acquired (100%)</b>						
Fixed assets	-	-	-	19	-	19
Short term investments	-	-	-	48	-	48
Bank and cash	3,000	3,000	2,890	114	-	9,004
Trade and other receivables	-	-	-	108	-	108
Trade and other payables	-	-	-	(60)	-	(60)
<b>Net assets</b>	3,000	3,000	2,890	229	-	9,119
Minority interests	-	(32)	(256)	-	(1,437)	(1,725)
<b>Net assets acquired</b>	3,000	2,968	2,634	229	(1,437)	7,394
Goodwill on acquisition	-	-	314	1,226	443	1,983
Goodwill on partial disposal of subsidiary	-	-	-	-	(86)	(86)
Profit on partial disposal of subsidiary	-	-	-	-	(357)	(357)
<b>Total Consideration</b>	3,000	2,968	2,948	1,455	(1,437)	8,934
<b>Satisfied by</b>						
Cash	3,000	2,968	2,948	18	-	8,934
Issue of Novum shares	-	-	-	1,437	(1,437)	-
<b>Total</b>	3,000	2,968	2,948	1,455	(1,437)	8,934
<b>Net cash inflow/(outflow) arising on acquisitions</b>						
Cash consideration	(3,000)	(2,968)	(2,948)	(18)	-	(8,934)
Bank balances and cash acquired	3,000	3,000	2,890	114	-	9,004
<b>Net cash inflow/(outflow)</b>	-	32	(58)	96	-	70

The above values of net assets on acquisition of subsidiaries comprise book value carrying amounts which the Directors estimate to be the same as their fair value

For the period between the date of acquisition and 31 January 2008, OCS Trading contributed financial trading revenue losses of £2,078,000 and an overall loss after tax of £3,075,000, Obtala had no revenues but contributed a profit after tax of £27,000 and Novum Private Clients contributed revenues of £539,000 and a profit after tax of £63,000

If these acquisitions had been consolidated for the full period from 1 February 2008, the above contributions of OCS Trading and Obtala would have been the same but the revenues and profit after tax contributed by Novum Private Clients would have been £850,000 and £118,000 respectively

## 21 DECONSOLIDATION DISPOSAL OF SUBSIDIARY UNDERTAKINGS

During the period to 31 January 2007 the Company acquired 52.7 per cent of the issued share capital of Kanyon Plc and 67.9 per cent of the issued share capital of Oxeco Plc by way of share subscriptions. These acquisitions were accounted for as subsidiaries and consolidated from the date of acquisition

On 3 May 2007, Kanyon completed the 100 per cent acquisition of Solar Labs Plc settled in full by the issue of Kanyon shares which resulted in a dilution of the Company's holding in Kanyon to 42.9 per cent and Kanyon's name was subsequently changed

to Oxford Advanced Surfaces Plc "OAS" On 29 June 2007 Oxeco completed the 100 per cent acquisition of Oxray Limited settled in full by the issue of Oxeco shares which resulted in a dilution of the Group's holding in Oxeco to 45.2 per cent

On 21 August 2007, the Company acquired 98.9 per cent of the issued share capital of Obtala Limited (Obtala) by way of share subscriptions and on 29 November 2007, Obtala acquired 100 per cent of the issued share capital of Mindex Invest Limited by issue of 100,000,000 new ordinary shares which resulted in a dilution of the Company's holding in Obtala to 37.1 per cent

At the time that these holdings were diluted to below 50 per cent they ceased to be treated as subsidiaries and the investments were transferred to portfolio investments with the related net assets deconsolidated as follows

	<b>OAS £'000</b>	<b>Oxeco £'000</b>	<b>Obtala £'000</b>	<b>Total £'000</b>
<b>Net assets deconsolidated (100%)</b>				
Bank and cash	3,326	2,864	3,037	9,227
Trade and other receivables	86	90	7	183
Trade and other payables	(8)	(9)	(6)	(23)
Taxation	(5)	(4)	(11)	(20)
Attributable goodwill	72	18	–	90
<b>Net assets</b>	<b>3,471</b>	<b>2,959</b>	<b>3,027</b>	<b>9,457</b>
Minority interests	(1,607)	(944)	(32)	(2,583)
<b>Net assets deconsolidated</b>	<b>1,864</b>	<b>2,015</b>	<b>2,995</b>	<b>6,874</b>
<b>Re-classified of investments</b>				
Net assets deconsolidated	1,864	2,015	2,995	6,874
Unrealised profit on deconsolidation	506	700	(27)	1,179
<b>Re-classified of investments at fair value</b>	<b>2,370</b>	<b>2,715</b>	<b>2,968</b>	<b>8,053</b>

The reinstated investments were transferred to portfolio investments at fair value as at the date of deconsolidation (see note 9)

The unrealised profit on deconsolidation of £1,179,000 comprises fair value revaluation gains of £1,219,000 less reversal of profits of £40,000 previously consolidated

# Notes to the Financial Statements

## 21 DECONSOLIDATION DISPOSAL OF SUBSIDIARY UNDERTAKINGS (continued)

The results of OAS, Oxeco and Obtala for the period from 1 February 2007 to the date of deconsolidation, which have been included in the consolidated financial statements are as follows

	OAS £'000	Oxeco £'000	Obtala £'000	Total £'000
Revenue	–	–	–	–
Operating costs	(30)	(45)	(6)	(81)
Net interest income	49	66	44	159
<b>Profit/(loss) before tax</b>	<b>19</b>	<b>21</b>	<b>38</b>	<b>78</b>
Taxation	(5)	(4)	(11)	(20)
<b>Profit/(loss) after tax from discontinued operations</b>	<b>14</b>	<b>17</b>	<b>27</b>	<b>58</b>
<b>Attributable to</b>				
Equity holders of parent	8	12	27	47
Minority interest	6	5	–	11
	14	17	27	58

## 22 RELATED PARTY TRANSACTIONS

### Trading transactions

During the year Group companies entered into the following transactions with the Group companies and with portfolio investments where they hold 20 per cent or more of the issued share capital as follows

	Portfolio Investments 2008 £'000	Portfolio Investments 2007 £'000	Subsidiaries 2008 £'000	Subsidiaries 2007 £'000
Advisory fees charged in the period	36	134	8	7
Property rentals charged in the period	–	–	14	2
Amounts owed to Ora Capital Partners Plc at the year end	–	42	8,610	233

Amounts owed by subsidiary undertakings include loans of £8,137,000 made by the Company to OCS Trading Ltd. These loans are repayable on demand and carry interest at 8 per cent per annum.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

Details of subsidiaries and portfolio investment where it holds 20 per cent or more of the issued share capital are given in notes 9 and 10 to the financial statements.

### Transactions with Key Management Personnel

The Group's key management personnel comprise only the Directors of the Company

During the year Group companies entered into the following transactions in which the Director's had an interest

#### i Directors' remuneration

The remuneration of the individual Directors is provided in the Directors' Report and disclosed in note 6 of the financial statements

#### ii Directors' interests in subsidiaries and portfolio investments

The Directors had investments in and held board positions at the following subsidiary and portfolio investment companies as at 31 January 2008

Name	Business	% of issued share capital held	Board position held at subsidiary or related company
Richard I Griffiths	Oxford Advanced Surfaces Plc	5.66	
Michael A Bretherton	Oxford Advanced Surfaces Plc	0.24	Director
James L Ede-Golightly	Oxford Advanced Surfaces Plc	0.30	
David R Norwood	Oxford Advanced Surfaces Plc	5.10	Director
Beatrice M H Hollond	Oxford Advanced Surfaces Plc	0.03	
Richard I Griffiths *	Oxeco Plc	4.50	
Michael A Bretherton	Oxeco Plc	0.33	Director
David R Norwood	Oxeco Plc	9.42	Director
Beatrice M H Hollond	Oxeco Plc	0.08	
Richard I Griffiths	Novum Securities Limited	5.17	
Michael A Bretherton	Novum Securities Limited	0.86	Director
David R Norwood	Novum Securities Limited	1.29	
Beatrice M H Hollond	Novum Securities Limited	0.86	
Michael A Bretherton	Nanoco Tech Plc	0.14	Director
James L Ede-Golightly	Nanoco Tech Plc	0.39	
David R Norwood	Nanoco Tech Plc	0.41	
Michael A Bretherton	Obtala Resources Plc	0.19	Director
Michael A Bretherton	Ansco Petroleum Limited	1.74	
David R Norwood	Ansco Petroleum Limited	4.84	

\* Includes 4.17 per cent. held by Cantor Fitzgerald in which R I Griffiths has an interest by way of a derivative financial instrument.

### 23 ULTIMATE PARENT COMPANY

The Directors do not believe that there is an ultimate controlling party

# Notice of Annual General Meeting

## **ORA CAPITAL PARTNERS PLC**

*(Incorporated in England and Wales under the Companies Act 1985, with registered number 05614046)*

Notice is hereby given that the 2008 Annual General Meeting of ORA Capital Partners Plc will be held at the offices of Fasken Martineau Stringer Saul LLP, Fourth Floor, 17 Hanover Square, London W1S 1HU at 10.00 a.m. on Thursday, 29 May 2008 to transact the following business

### **ORDINARY BUSINESS**

- 1 To receive and adopt the audited accounts for the year ended 31 January 2008 together with the Reports of the Directors and Auditors
- 2 To re-elect Richard Ian Griffiths as a director of the Company who retires by rotation pursuant to the Articles of Association of the Company
- 3 To re-elect Michael Anthony Bretherton as a director of the Company who retires by rotation pursuant to the Articles of Association of the Company
- 4 To re-elect James Ede-Golightly as a director of the Company who retires by rotation pursuant to the Articles of Association of the Company
- 5 To re-appoint Baker Tilly UK Audit LLP as auditors of the Company and to authorise the Directors to determine their remuneration

### **SPECIAL BUSINESS**

As special business to consider and, if thought fit, pass the following resolutions, of which Resolution 6 will be proposed as an ordinary resolution and Resolutions 7, 8 and 9 will be proposed as special resolutions

#### **Allotment of shares**

- 6 THAT the directors be and they hereby are generally and unconditionally (in substitution for all previous powers granted thereunder) to allot relevant securities (within the meaning of section 80 of the Companies Act 1985) (the "Act") up to an aggregate nominal amount of £333,333.33 provided that this authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2009 or 31 July 2009 (whichever is the earlier), unless and to the extent that such authority is renewed or extended prior to such date, that the Company may before such expiry make an offer or agreement which would, or might, require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby has not expired. This authority shall be in substitution for any other authority to allot relevant securities but is without prejudice to the continuing authority of the Directors to allot relevant securities in pursuance of an offer or agreement made before the expiry of the authority pursuant to which such offer or agreement was made

#### **Disapplication of pre-emption rights**

- 7 THAT the Directors be and they hereby are authorised and empowered pursuant to section 95 of the Act (in substitution for all previous powers granted thereunder) to allot equity securities (within the meaning of section 94 of the Act) for cash pursuant to the authority conferred by the ordinary resolution at Resolution 6 above as if section 89(1) of the Act did not apply to such allotment provided that this power shall be limited to
  - a the allotment of equity securities on a pro rata basis in favour of shareholders where the equity securities respectively attributable to the interests of such shareholders are proportionate (as nearly as maybe) to the respective number of ordinary shares held by them, but subject to such exclusions and other arrangements as the Directors may deem necessary or expedient to deal with legal or practical problems in respect of overseas holders, fractional entitlements or otherwise,



- b the allotment (other than pursuant to sub-paragraph (a) above) of equity securities having in the case of relevant shares (as defined for the purpose of section 89 of the Act) a nominal amount or, in the case of other equity securities, giving the right to subscribe for or convert into relevant shares having a nominal amount not exceeding £100,000.00 (representing 10% of the issued share capital of the Company at the date of this notice) in aggregate,

provided that this power shall expire at the conclusion of the annual general meeting of the Company to be held in 2009 or 31 July 2009 (whichever is earlier) unless and to the extent that such authority is received or extended prior to such date that the Company may, before expiry of this power, make any offer or agreement which would or might require equity securities to be allotted after the expiry of this power and the directors may allot equity securities in pursuance of such offer or agreement as if the power had not expired

#### **Buy-back of shares**

- 8 THAT the Company be and is hereby generally and unconditionally authorised, pursuant to section 166 of the Companies Act 1985 to make market purchases (as defined in section 163 of the Companies Act 1985) of its own ordinary shares of 1p each ("Ordinary Shares") on such terms and in such manner as the directors of the Company shall determine, the general authority conferred by this resolution shall
- a be limited to a maximum of 14,990,000 Ordinary Shares (being equal to 14.99 per cent of the issued share capital of the Company as at 28 April 2008),
  - b not permit payment of a price per Ordinary Share, exclusive of expenses of less than 50p or more than 105% of the average price at which business was done in the Ordinary Shares of the Company in the five business days preceding the purchase,
  - c expire on the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2009 and 15 months after the passing of this resolution save that the Company may before the expiry of the power hereby conferred contract to purchase its own Ordinary Shares which contract requires or might require the purchase of such Ordinary Shares wholly or partly after such expiry

#### **Amendment to Articles of Association**

- 9 That the articles of association produced to the meeting and signed by the Chairman for the purposes of identification be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the current articles of association, with effect from the conclusion of the 2008 annual general meeting of the Company

By order of the Board

**Michael Bretherton**  
**Secretary**  
 29 April 2007

*Registered office*  
 Martin House  
 26-30 Old Church Street  
 London SW3 5BY

## Explanatory Notes

### Entitlement to attend and vote

- 1 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at
  - 10 00 am on Tuesday, 27 May 2008, or,
  - if this Meeting is adjourned, at 10 00 am on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting

### Appointment of proxies

- 2 If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
- 3 A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
- 4 A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Discretionary" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

### Appointment of proxy using hard copy proxy form

- 5 The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be

- completed and signed,
- sent or delivered to Capita Registrars (Proxies), The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, and received by Capita Registrars no later than 10 00 am on Tuesday, 27 May 2008.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

### Appointment of proxy by joint members

- 6 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

### Changing proxy instructions

- 7 To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions, any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Capita Registrars (Proxies), The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence

**Termination of proxy appointments**

- 8 In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment as above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Capita Registrars no later than 10.00 am on Tuesday, 27 May 2008. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

**Issued shares and total voting rights**

- 9 As at 6.00 pm on 28 April 2008, the Company's issued share capital comprised 100,000,000 ordinary shares of 1p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 pm on 28 April 2008 is 100,000,000.

## Appendix 1 – Adoption of New Articles of Association

### MEMORANDUM AND ARTICLES OF ASSOCIATION

#### Explanatory Summary for proposed amendments to be incorporated in New Articles

Set out below is a summary of the main differences between the current Articles of Association and the proposed new Articles of Association ("the New Articles")

The number used below to identify each article, unless otherwise indicated, corresponds to the numbering used in the Company's current Articles

#### 1 Definitions (Article 1)

Article 11 is amended as follows

New definitions of "CA 1985", "CA 2006" and "the Acts" are inserted to cater for the fact that the 2006 Act is being brought into force and the Act is being repealed in stages between January 2007 and October 2009. Consequential amendments are made throughout the New Articles to reflect the inclusion of these new definitions

The definition of "Electronic Communication" is deleted, as the previous definition related to provisions in the CA 1985 which have been repealed in January 2007. Instead, the definition of "Electronic Form" is inserted to reflect the new terms under the CA 2006

A new definition of "address" is inserted. As well as the ordinary meaning of the word "Address" also means any number or address used for the purposes of sending or receiving notices, documents or information by electronic means. This definition corresponds with the relevant definition of "address" in the CA 2006 and is inserted because the term is used frequently in the new Articles of Association

Further amendments to Article 11 clarify that the documents and information which are sent electronically or placed on a website by the Company are "in writing" for the purposes of New Articles

#### 2 Notice of General Meetings (Article 62)

Article 62 is amended to stay in line with the provisions of the CA 2006 regarding notice periods for general meetings

The CA 2006 reduces the minimum notice period for all general meetings (with the exception of annual general meetings) to 14 (fourteen) clear days and the amendments to Article 62 allows the Company to take advantage of such provisions

Article 62 is also amended to reflect the position under the CA 2006 that a Shareholder may appoint more than one proxy in relation to a meeting

#### 3 Adjournment (Article 68 and new Article 69 and 70)

The provisions on adjournment have been updated to authorise the chairman to adjourn the meeting, without the consent of the meeting, if such an adjournment is, in the chairman's opinion, necessary to ensure that there is sufficient room for all Shareholders and proxies who wish to attend, to preserve the orderly conduct of the meeting, to protect the safety of any person attending or to ensure the business of the meeting can be properly carried out

#### 4 Security of general meeting (New Articles 77 and 78)

New Articles 77 and 78 are proposed to allow for appropriate security measures to be taken in order to secure the safety of the people attending a general meeting and enable arrangements to be made to allow simultaneous attendance of the general meeting at satellite meeting places

#### 5 Electronic Proxies (Article 81 (now Article 85) and new Article 86)

The CA 2006 provides that when a company has given an electronic address in a notice of meeting or form of proxy, it is treated as having accepted that a communication in relation to that notice of meeting or form of proxy can be sent to that electronic address. Amendments to Article 81 (now Article 85) and new Article 86 are inserted to enable the Company to receive appointments of proxies in electronic form subject to the conditions or limitations which are specified in the notice of meeting

## **6 Corporate representatives (Articles 82, now Article 87)**

Article 82 is amended in line with the provisions of the CA 2006. Under the CA 2006, multiple corporate representatives may be appointed, but if they purport to exercise their rights in different way, then the power is treated as not being exercised.

## **7 Disclosure of Interests in Shares (Articles 871 and 88, now Article 92 and 93)**

The provisions relating to the disclosure of interests in shares contained in the CA 1985 including Section 212 on company investigation powers, were repealed in January 2007. Provisions of the CA 2006, which contain the corresponding company investigation powers previously contained in Section 212, were brought into force simultaneously. Articles 87 and 88 are amended to reflect the replacement of the old provisions with the new.

The definition of "approved transfer" in Article 88.5.3.1 (now Article 93.5.3.1) is amended to refer to the definition of "takeover offer" set out in Section 974 and Part 23 of the CA 2006 to replace the definition in the CA 1985. This is because the definition in the CA 1985 was repealed and replaced by that in the CA 2006 in April 2007.

## **8 Remuneration of Directors (Article 91, now Article 96)**

Article 91 is amended, by replacing the maximum aggregate remuneration figure of £100,000 with £500,000.

## **9 Notices and Electronic Communication by the Company (Articles 186 to 192, now Articles 191 to 197)**

Articles 186 to 192 are amended in line with CA 2006 to provide the Company with a general power to send or give any notice, document or information to any Shareholder by a variety of methods such as in person, by post or in electronic form (such as by email), or by making it available on the Company's website depending on the individual Shareholder's preference. In addition to any notice, document or information which is specifically required to be supplied under the CA 2006 or the Articles of Association, Articles 191 to 197 in the New Articles will also allow the Company to send any other document or information to Shareholders by the variety of methods described above.

If the Company gives any notice or sends any document or information to its Shareholders by making it available on the Company's website, it must comply with the requirements of the CA 2006 and Articles 196 to 197 in the New Articles.

The Company will be able to ask each individual Shareholder for his or her consent to receive communications from the Company via its website. If the Shareholder does not respond to the request for consent within 28 days, the Company may take that as consent by the Shareholder to receive communications in this way. When the Company makes a document available on its website, it must notify each Shareholder who has consented (or is deemed to have consented) to receive documents via the website, either by post or by email (if the Shareholder has previously provided their email address), that the document has been made available on the website. A Shareholder who has received a document electronically can request a hard copy of any document at any time. Shareholders can also revoke their consent to receive electronic communications at any time.

The new Article 197.4 deals with the ease of joint holders of shares and provides that the agreement of the first named holder on the register of shareholders to accept notices, documents or information electronically or via a website will be binding on the other joint holders.

The new Article 197.5 is to cater for situations where the provision of corporate information in electronic form may amount to a breach of securities laws of another jurisdiction. The effect of this new Article is to permit the Company not to give or send any notice, document or information to a Shareholder whose registered address is not within the UK unless that Shareholder has given a non-electronic address within the UK.

## Appendix 1 – Adoption of New Articles of Association

### **10 Communication to the Company (New Articles 198 to 201)**

New provisions have been added to the Articles in order to clarify the methods by which Shareholders can communicate with the Company. This is extended (from hard copy documents or information sent or supplied by hand or by post) pursuant to the new electronic communication provisions in the CA 2006 to include electronic communication to an address specified for the purpose by the Company for the purposes of receiving such communication.

### **11 Indemnity (Article 196, now Article 205)**

The provisions relating to the indemnity of directors and other officers are amended in line with the CA 2006 to extend the scope of potential indemnities which may be granted to directors of pension trustee companies. Under Section 235 of the CA 2006, a director of a pension trustee company can be indemnified by the pension trustee company itself or an associated company against liability incurred in connection with the Company's activities as a trustee of the scheme. The indemnity cannot extend to liabilities to pay criminal or regulatory fines or to defending criminal proceedings in which the director is convicted.