

Montagu (Funding IV) Limited

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

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COMPANIES HOUSE

Registered in England No 07433030

Montagu (Funding IV) Limited

Annual Report and Audited Financial Statements for the year ended 31 December 2012

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Montagu (Funding IV) Limited

Directors' Report

The Directors' present their report to the members together with the audited financial statements for the year ended 31 December 2012, which were approved by them on 25 April 2013

Principal activities and business review

The principal activity of the company is to provide short term financing services relating to private equity fund management

Partnership balance of £90,000,000 (2011 £Nil) is observed due the timing difference on the acquisition of College of Law

Results and dividends

The results for the period are set out in the profit and loss account on page 6

Liability insurance

The Company has professional indemnity insurance in place in respect of the duties of the Directors

Directors

The Directors of the Company who served during the period were as follows

C M Masterson
G Hislop
C J Gatenby
V O'Brien

Disclosure of information to auditors

The directors who held office at the date of approval of this directors report confirm that, so far as they are each aware, there is no relevant audit information of which the group's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information

Independent auditors

KPMG Audit Plc have indicated willingness to continue as auditors of the Company

By order of the Board



G Hislop
Director

Registered Office
2 More London Riverside
London
SE1 2AP
25 April 2013

Registered No 07433030

Montagu (Funding IV) Limited

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

Independent auditor's report to the members of Montagu (Funding IV) Limited

We have audited the financial statements of Montagu (Funding IV) Limited for the year ended 31 December 2012 set out on pages 6 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's web-site at www.frc.org.uk/auditscopeprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the period then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.


Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Lord Rockley (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants
8 Salisbury Square
London, EC4Y 8BB
25 April 2013

Montagu (Funding IV) Limited

Profit and Loss Account for the year ended 31 December 2012

	Notes	2012	8 November 2010 to 31 December 2011
		£	£
Turnover	2	3,446	947
Operating costs	3	<u>(92)</u>	<u>(327)</u>
Operating Profit		3,354	620
Loss on disposal of investments		(347,242)	(291,930)
Income from investments		1,036,551	481,266
Interest receivable		-	242
Interest payable and similar charges	4	<u>(742,106)</u>	<u>(189,306)</u>
Profit / (loss) on ordinary activities before taxation		(49,443)	892
Tax on profit on ordinary activities	5	<u>(810)</u>	<u>(248)</u>
Profit / (loss) on ordinary activities after taxation		<u>(50,253)</u>	<u>644</u>
Statement of retained profit			
Retained profit brought forward		644	-
Profit / (loss) for the period		<u>(50,253)</u>	<u>644</u>
Retained profit / (loss) carried forward		<u>(49,609)</u>	<u>644</u>

All results relate to continuing operations

The Company has no recognised gains and losses other than the results as stated above and therefore no separate statement of recognised gains and losses is presented

There is no difference between the amounts stated above and their historical cost equivalents, either in respect of profit on ordinary activities before taxation or the retained profit for the period

The notes on pages 8 to 10 form part of these financial statements

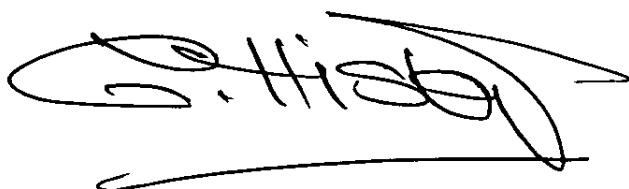
Montagu (Funding IV) Limited

Balance Sheet as at 31 December 2012

	Notes	2012	2011
		£	£
Current assets			
Investments	6	168	168
Debtors	7	90,004,008	893
		90,004,176	1,061
Creditors amounts falling due within one year	8	(90,053,784)	(416)
Net current assets / (liabilities)		<u>(49,608)</u>	<u>645</u>
Net assets / (liabilities)		<u>(49,608)</u>	<u>645</u>
Funding and reserves			
Called up share capital	9	1	1
Profit and loss account		(49,609)	644
Total shareholder's funds / (deficit)	10	<u>(49,608)</u>	<u>645</u>

The notes on pages 8 to 10 form part of these financial statements

The financial statements on pages 6 to 10 were approved by the Board of Directors on 25 April 2013 and were signed on its behalf by



G Hislop
Director

Montagu (Funding IV) Limited

Notes to the Financial Statements for the year ended 31 December 2012

1 Accounting policies

(a) Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom

Under FRS 1 (Revised 1996) the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements. The company is exempt under S400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The results of the Company and its subsidiary undertakings are included in the consolidated financial statements of Montagu Private Equity LLP, the company's ultimate parent undertaking

(b) Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax balances are not discounted.

(c) Investments

Investments held as fixed assets are stated at cost, less any provisions for impairment.

2. Turnover

Turnover represents management fees received.

3 Operating costs

The audit fee payable in relation to Montagu (Funding IV) Limited for the period is £4,000 and is borne by Montagu Private Equity LLP.

Montagu (Funding IV) Limited does not employ any staff.

The directors received no emoluments in respect of their services to the Company.

	2012	8 November 2011 to 31 December 2011
	£	£
Fx Loss	15	270
Bank charges	77	57
	<u>92</u>	<u>327</u>

4. Interest payable and similar charges

	2012	2011
	£	£
Bridge financing interest	<u>742,106</u>	<u>189,306</u>

Montagu (Funding IV) Limited

Notes to the Financial Statements for the year ended 31 December 2012

5. Tax on profit on ordinary activities

Analysis of charge in period

	2012 £	8 November 2011 to 31 December 2011 £
<u>UK Corporation Tax</u>		
Current tax on income	822	248
Adjustment in respect of prior periods	(12)	-
Total current tax	810	248
Tax on profit on ordinary activities	810	248

There is no impact on the current tax charge due to timing differences

Current Tax Reconciliation

	2012 £	2011 £
Profit / (Loss) on ordinary activities before taxation	(49,443)	892
Current tax @ 24.5% (2011: 26.50%)	(12,114)	236
Unused losses carried forward	12,114	-
Other	822	-
Rate difference on group relief provided at 27.75% rather than 26.50%	-	12
Total current tax charge	822	248

6. Investments

	2012 £	2011 £
Other	168	168
	168	168

7. Debtors

	2012 £	2011 £
Short-term bridge funding debtors	90,000,000	-
GP (IV) LP	4,007	892
Other	1	1
	90,004,008	893

8. Creditors: amounts falling due within one year

	2012 £	2011 £
Bridging loan	90,000,000	-
Balances with Limited Partnerships	165	168
Accrued expenses	52,797	-
Corporation Tax	822	248
	90,053,784	416

Montagu (Funding IV) Limited

Notes to the Financial Statements for the year ended 31 December 2012

9. Called up share capital

	2012	2011
	£	£
1 ordinary share of £1	<u>1</u>	<u>1</u>

10 Reconciliation of movement in shareholder's funds

	2012	2011
	£	£
Opening shareholder's funds	645	1
Profit / (loss) for the year	<u>(50,253)</u>	<u>644</u>
Closing shareholder's funds / (deficit)	<u>(49,608)</u>	<u>645</u>

11. Related party disclosures

The parent company and controlling party of the Company is MLLP Holdings Limited

As a wholly owned subsidiary, the Company has taken advantage of the exemption in Financial Reporting Standard No 8 ("FRS 8") from the requirement to disclose intra group transactions with other wholly owned subsidiaries. The parent company and controlling party of the Company is MLLP Holdings Limited

12. Ultimate parent

The ultimate controlling party is Montagu Private Equity LLP. Consolidated financial statements are available from the Company Secretary at 2 More London Riverside, London SE1 2AP