

LLP REGISTRATION NUMBER OC303451



BEEHIVE CAPITAL LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010



GSM&Co

Griffin Stone Moscrop & Co
CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

BEESTHARZ
VOT

BEEHIVE CAPITAL LLP

Registered office 41 Welbeck Street, London W1G 8EA

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

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Detailed LLP profit and loss account	

BEEHIVE CAPITAL LLP**MEMBERS' REPORT**

The members' present their report with the financial statements of the limited liability partnership for the year ended 31 March 2010

PRINCIPAL ACTIVITIES

The partnership is authorised by the Financial Services Authority to conduct venture capital business and provide corporate finance and management advice. The principal activities of the group and the limited liability partnership are to provide corporate finance advice, management advice, and investment management services.

DESIGNATED MEMBERS

The designated members in the year were as follows

J C Mayo CBE

E H Mayo

MEMBERS' DRAWINGS AND CAPITAL

The initial capital of the LLP of £70,000 was subscribed on 9 April 2003. Since that date a further £45,000 was injected into the LLP as follows, £30,000 on 31 December 2006 and £15,000 on 7 March 2007.

The managing member may resolve from time to time to distribute a portion or the entire profits subject to the regulatory, working capital and other business requirements of the LLP. For the year ended 31 March 2010 the amount of profit to be distributed to members was determined as £247,038 and this was paid out to them. Payments of capital to members shall be at the discretion of the managing member.

MEMBERS' RESPONSIBILITIES

The members are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law (as applied to The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires us as members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Generally Accounting Standards and applicable law). Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 limited liability partnership and of the profit or loss of the limited liability partnership for that year. In preparing those financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Continued

BEEHIVE CAPITAL LLP

MEMBERS' REPORT (CONTINUED)

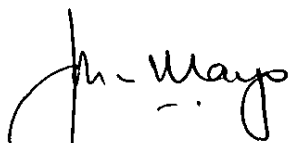
STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITOR

So far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditors are unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of all relevant audit information and to establish that the limited liability partnership's auditors are aware of that information.

AUDITORS

Griffin Stone Moscrop & Co, Chartered Accountants and Registered Auditors, will be proposed for re-appointment.

On behalf of the members



J C Mayo CBE
Designated Member

Date

16th July

2010

BEEHIVE CAPITAL LLP**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010 £	2009 £
TURNOVER	2	1,626,761	937,573
ADMINISTRATIVE EXPENSES		(1,280,904)	(620,038)
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST	3	345,857	317,535
INTEREST RECEIVABLE		4,828	3,318
NON-BANK INTEREST PAYABLE AND SIMILAR CHARGES		(3,521)	(271)
PROFIT FOR THE FINANCIAL YEAR		347,164	320,582
MINORITY INTEREST	11	(19,076)	(8,052)
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	10	328,088	312,530

The group has no recognised gains and losses other than those passing through the profit and loss account, therefore no statement of total recognised gains and losses has been prepared

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no material differences between the profit for the financial year stated above and its historical cost equivalent

BEEHIVE CAPITAL LLP**LLP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010 £	2009 £
TURNOVER	2	444,146	536,423
ADMINISTRATIVE EXPENSES		(149,814)	(240,922)
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST	3	294,332	295,501
INTEREST RECEIVABLE		4,486	3,319
NON-BANK INTEREST PAYABLE AND SIMILAR CHARGES		(3,521)	-
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	10	295,297	298,820

The limited liability partnership has no recognised gains and losses other than those passing through the profit and loss account, therefore no statement of total recognised gains and losses has been prepared

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no material differences between the profit for the financial year stated above and its historical cost equivalent

BEEHIVE CAPITAL LLP

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2010

	Notes	2010 £	£	2009 £	£
FIXED ASSETS					
Tangible assets	6		54,189		77,535
CURRENT ASSETS					
Debtors	8	588,147		446,709	
Cash at bank and in hand		862,187		970,865	
		<u>1,450,334</u>		<u>1,417,574</u>	
CREDITORS					
Amounts falling due within one year	9	<u>(1,370,843)</u>		<u>(1,205,029)</u>	
			79,491		212,545
NET ASSETS			<u>133,680</u>		<u>290,080</u>
Add					
Minority interest	11		291,512		62,763
NET ASSETS ATTRIBUTABLE TO MEMBERS			<u>425,192</u>		<u>352,843</u>
REPRESENTED BY:					
Loans and other debts due to members within one year					
Members' capital classified as a liability under FRS 25	10		115,000		123,701
Equity					
Members' other interests - Other reserves classified as equity under FRS 25	10		310,192		229,142
			<u>425,192</u>		<u>352,843</u>
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members			115,000		123,701
Members' other interests	10		310,192		229,142
			<u>425,192</u>		<u>352,843</u>

These financial statements were approved and authorised for issue by the members on and signed on their behalf by -

16th July 2010


J C Mayo CBE
Designated Member

The attached notes form part of these financial statements

LLP REGISTRATION NUMBER: OC303451

BEEHIVE CAPITAL LLP

LLP BALANCE SHEET
AT 31 MARCH 2010

	Notes	2010 £	£	2009 £	£
FIXED ASSETS					
Tangible assets	6		20,279		46,691
Investments	7		6,300		6,300
			<u>26,579</u>		<u>52,991</u>
CURRENT ASSETS					
Debtors	8	553,062		175,068	
Cash at bank and in hand		81,959		202,712	
		<u>635,021</u>		<u>377,780</u>	
CREDITORS					
Amounts falling due within one year	9	276,134		91,638	
			<u>358,887</u>		<u>286,142</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS			<u>385,466</u>		<u>339,133</u>
REPRESENTED BY.					
Loans and other debts due to members within one year					
Members' capital classified as a liability under FRS 25	10		115,000		123,701
Equity					
Members' other interests - Other reserves classified as equity under FRS 25	10		270,466		215,432
			<u>385,466</u>		<u>339,133</u>
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members	10		115,000		123,701
Members' other interests			270,466		215,432
			<u>385,466</u>		<u>339,133</u>

These financial statements were approved and authorised for issue by the members on 16th July 2010 and signed on their behalf by -


J C Mayo CBE
Designated Member

The attached notes form part of these financial statements

LLP REGISTRATION NUMBER: OC303451

BEEHIVE CAPITAL LLP

CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010

	Notes	2010 £	£	2009 £	£
Net cash inflow from operations	a)	414,117		1,429,168	
Returns on investments and servicing of finance					
Interest received		4,828		3,318	
Interest paid		(3,521)		(271)	
Net cash inflow from return on investments and servicing of finance		1,307		3,047	
Capital expenditure and financial investment					
Payments to acquire fixed assets		(20,538)		(52,873)	
Net cash outflow from capital expenditure and financial investment		(20,538)		(52,873)	
Transactions with members and former members					
Drawings by members of LLP		(255,739)		(267,802)	
Drawings by minority interest members		(247,825)		(70,815)	
Loans introduced by members		-		258,000	
Repayment of members' loans		-		(498,000)	
Net cash outflow from financing		(503,564)		(578,617)	
(Decrease)/increase in cash	b)	(108,678)		800,725	

NOTES TO THE CASHFLOW STATEMENT

a) Reconciliation of group profit before interest to net cash inflow from operations	2010	2009
	£	£
Profit on ordinary activities before interest	345,857	317,535
Depreciation	43,884	53,813
Loss on disposal of tangible fixed assets	-	2,034
Increase in debtors	(141,438)	(51,925)
Increase in creditors	165,814	1,107,711
Net cash inflow from operations	414,117	1,429,168
b) Reconciliation of net cash flow to movement in net debt	2010	2009
	£	£
Decrease in cash in year	(108,678)	800,725
Cash outflow from repayment of loans to members	-	240,000
Net debt at 1 April 2009	847,164	(193,561)
Net cash at 31 March 2010	738,486	847,164
c) Analysis of net debt:	At 1 April 2009	At 31 March 2010
	£	£
Cash at bank and in hand	970,865	862,187
Loans and other debts due to members	(123,701)	(123,701)
	847,164	738,486

BEEHIVE CAPITAL LLP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

1 STATEMENT OF ACCOUNTING POLICIES**Accounting convention**

The financial statements have been prepared under the historical cost convention

Compliance with accounting

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Limited Liability Statement of Recommended Practice, which have been applied consistently (except as otherwise stated)

Basis of consolidation

The consolidated financial statements include

- the assets and liabilities, results and cash flows of the LLP and its subsidiary undertakings from the date of acquisition and
- the group's share of the net liabilities or assets

The financial statements of consolidated undertakings are made up to 31 March

Uniform accounting policies are followed for the group and profits/losses are eliminated on intra-group transactions

The undertakings in which the group had a material interest and where it exercises dominant influence are accounted for as subsidiaries

Revenue recognition

In accordance with the principles of revenue recognition as stated in UITF 40 and application note G of FRS 5, Reporting the Substance of Transactions, income is recognised as the right to consideration obtained through performance of contractual obligations

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Fixtures and fittings are depreciated over 5 years on a straight line basis. Computer equipment is depreciated over 3 years on a straight line basis

Investments

Investments in subsidiary undertakings are carried at cost less any impairment provision. Management perform impairment reviews annually in respect of the valuation of the LLP's investments and any impairment is charged to the profit and loss account

Impairment

An impairment review is carried out for each class of assets if events or changes in circumstances indicate that the carrying amount of the fixed asset may be recoverable

Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account

Deferred income

When clients are invoiced for services which are to be rendered in subsequent accounting periods, the invoices are treated as deferred income and included in creditors in the balance sheet

Taxation

Taxation payable on the LLP's profits is solely the personal liability of the members and consequently neither taxation nor related deferred taxation are accounted for in the financial statements

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010 (CONTINUED)

2. TURNOVER

	Group		LLP	
	2010	2009	2010	2009
	£	£	£	£
The turnover earned is in respect of the LLP's and group's principal activities. The geographical analysis is as follows:				
Europe	1,185,827	403,402	3,212	2,252
North America	440,934	534,171	440,934	534,171
	<u>1,626,761</u>	<u>937,573</u>	<u>444,146</u>	<u>536,423</u>

3. PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST

	Group		LLP	
	2010	2009	2010	2009
	£	£	£	£
Profit on ordinary activities before interest is stated after charging:				
Depreciation	43,884	53,813	28,713	51,100
Foreign exchange loss/(gain)	29,919	6,013	(7,004)	(3,396)
	<u>43,884</u>	<u>53,813</u>	<u>28,713</u>	<u>51,100</u>

Auditors' remuneration

	Group		LLP	
	2010	2009	2010	2009
	£	£	£	£
Fees payable to the LLP's auditor for:				
The preparation and audit of the LLP and group accounts	10,515	8,300	10,515	8,300
Providing assistance and training in connection with regulatory reporting requirements	1,215	2,256	1,215	2,256
General professional advice and taxation services	2,630	-	2,630	-
Fees payable to the subsidiary's auditor for:				
The audit of the subsidiary's accounts	5,000	10,000	-	-
	<u>18,360</u>	<u>20,556</u>	<u>14,360</u>	<u>10,556</u>

MEMBERS' REMUNERATION AND PARTICULARS

No remuneration was paid to members of the parent LLP during the year. The group profit attributable to the member with historically the largest entitlement to profit was £295,607 (2009 - £281,590). Historically 90.1% of the profit has been attributed to one of the members and therefore this policy is consistent with that applied previously.

The average number of members during the year was two (2009 - same).

STAFF COSTS

	Group		LLP	
	2010	2009	2010	2009
	£	£	£	£
Wages and salaries	18,000	24,000	18,000	24,000
Social security costs	1,834	2,415	1,834	2,415
	<u>19,834</u>	<u>26,415</u>	<u>19,834</u>	<u>26,415</u>

The average monthly number of employees (excluding members) was one (2009 - same).

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010 (CONTINUED)**6 TANGIBLE ASSETS**

	Fixtures & Fittings £	Computer Equipment £	Total £
GROUP			
Cost			
At 1 April 2009	29,109	177,211	206,320
Additions in the year	1,814	18,724	20,538
At 31 March 2010	30,923	195,935	226,858
Depreciation			
At 1 April 2009	15,101	113,684	128,785
Charge for the year	6,184	37,700	43,884
At 31 March 2010	21,285	151,384	172,669
Net book value			
At 31 March 2010	9,638	44,551	54,189
At 31 March 2009	14,008	63,527	77,535
LLP			
Cost			
At 1 April 2009	29,109	143,654	172,763
Additions in the year	-	2,302	2,302
At 31 March 2010	29,109	145,956	175,065
Depreciation			
At 1 April 2009	15,101	110,972	126,073
Charge for the year	5,822	22,891	28,713
At 31 March 2010	20,923	133,863	154,786
Net book value			
At 31 March 2010	8,186	12,093	20,279
At 31 March 2009	14,009	32,682	46,691

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010 (CONTINUED)

7. FIXED ASSET INVESTMENTS

Shares in group
undertakings and
participating
interests
£

Cost and net book value

At 1 April 2009 and at 31 March 2010

6,300

Principal subsidiary undertakings

Subsidiary undertakings	Country of incorporation	Nature of business	Interest capital
Celtic Pharma Holdings Advisors LLP	England & Wales	Investment managers	63%

The above entity was incorporated on 16 April 2008. It has a financial year end of 31 March and its financial statements for 31 March 2010 show the following information:

Profit for the period before tax £	Net assets £
51,556	83,320

8. DEBTORS

	Group		LLP	
	2010 £	2009 £	2010 £	2009 £
Trade debtors	11,117	23,439	903	23,439
Other debtors	513,273	195,194	513,273	148,673
VAT recoverable	45,611	220,376	38,886	2,956
Prepayments and accrued income	18,146	7,700	-	-
	588,147	446,709	553,062	175,068

9. CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		LLP	
	2010 £	2009 £	2010 £	2009 £
Trade creditors	168,624	76,867	104,566	44,889
Taxation and social security	-	734	-	734
Other creditors	-	29,976	159,278	36,275
Accruals	520,562	317,797	12,290	9,740
Deferred income	681,657	779,655	-	-
	1,370,843	1,205,029	276,134	91,638

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010 (CONTINUED)

10 MOVEMENT ON MEMBERS' INTERESTS

GROUP	Members other interests Other reserves £	Total £	Loans & other debts due to members £	Total £
Amounts due to members at 31 March 2009	229,142	229,142	123,701	352,843
Profit for the financial year available for discretionary division among members	328,088	328,088	-	328,088
Allocated profits	557,230	557,230	123,701	680,931
Loans introduced by members	(247,038)	(247,038)	247,038	-
Repayment of loans	-	-	-	-
Drawings	-	-	(255,739)	(255,739)
Amounts due to members at 31 March 2010	310,192	310,192	115,000	425,192

Analysis of loans and other debts due to members

	2010 £	2009 £
Members capital classified as a liability	115,000	115,000
Undrawn profit	-	8,701
	115,000	123,701

LLP	Members other interests Other reserves £	Total £	Loans & other debts due to members £	Total £
Amounts due to members at 31 March 2009	215,432	215,432	123,701	339,133
Profit for the financial year available for discretionary division among members	295,297	295,297	-	295,297
Allocated profits	510,729	510,729	123,701	634,430
Loans introduced by members	(240,263)	(240,263)	240,263	-
Repayment of loans	-	-	-	-
Contribution from CPHA for tax arising on profits	-	-	6,775	6,775
Drawings	-	-	(255,739)	(255,739)
Amounts due to members at 31 March 2010	270,466	270,466	115,000	385,466

Analysis of loans and other debts due to members

	2010 £	2009 £
Members capital classified as a liability	115,000	115,000
Undrawn profit	-	8,701
	115,000	123,701

Upon the winding up of the limited liability partnership all remaining assets after the satisfaction of all creditors of the limited liability partnership shall be distributed to the members

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010 (CONTINUED)

11. MINORITY INTEREST

At the balance sheet date the LLP has a 63% interest in Celtic Pharma Holdings Advisors LLP. Accordingly 37% of this entity is held by outside members, giving rise to a minority interest to be accounted for within the consolidated financial statements. The make up of the minority interest at the balance sheet date is as follows:

	2010 £	2009 £
Minority interest as at 1 April 2009	(62,763)	-
37% of the subsidiary's profit before tax for the financial year	19,076	8,052
Net drawings made by minority members	(247,825)	(70,815)
	<u>(291,512)</u>	<u>(62,763)</u>

12. CONTROL

The limited liability partnership is under the control of its two members, J C Mayo CBE and Mrs E H Mayo.

13. RELATED PARTY TRANSACTIONS

The partnership had transactions with the following organisations. Unless otherwise stated these organisations are registered business in England and Wales.

GROUP	Expenses charged to group £	Expenses recharged at cost £	Services provided £	Balance receivable/ (payable) at 31.03.10 £
2010				
Celtic Pharma Development Services (Europe) Limited	508,961	167,340	-	(28,927)
Celtic Pharma Development Services (Bermuda)	-	62,781	-	10,589
Celtic Pharma Holdings LP (Bermuda)	-	1,517	-	1,150
Celtic Pharma Holdings II LLP (Guernsey)	-	1,081,956	-	-
Celtic Pharma Management LP (Bermuda)	-	6,505	440,934	255,032
Celtic Pharma Management Services (Europe) Limited	439	147	-	-
S A Investors Limited	-	24,113	-	11,900
Homecallcentre Limited	1,498	-	-	-
	<u>508,961</u>	<u>1,255,701</u>	<u>440,934</u>	<u>(17,286)</u>
2009	£	£	£	£
Celtic Pharma Development Services (Europe) Limited	49,467	80,851	-	(42,182)
Celtic Pharma Development Services (Bermuda)	-	32,402	-	7,437
Celtic Pharma Holdings LP (Bermuda)	-	1,021	-	1,021
Celtic Pharma Holdings II LLP (Guernsey)	-	1,330,594	-	33,205
Celtic Pharma Management LP (Bermuda)	-	1,437	524,141	1,437
Celtic Pharma Management Services (Europe) Limited	8,131	766	-	-
S A Investors Limited	-	3,258	-	(29,183)
Homecallcentre Limited	-	-	-	-
	<u>57,600</u>	<u>1,418,641</u>	<u>524,141</u>	<u>(28,682)</u>

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010 (CONTINUED)

13 RELATED PARTY TRANSACTIONS (CONTINUED)

LLP

	Expenses charged to Beehive £	Expenses recharged at cost £	Services provided £	Balance receivable/ (payable) at 31 03 10 £
2010				
Celtic Pharma Development Services (Europe) Limited	7,595	167,340	-	34,367
Celtic Pharma Development Services (Bermuda)	-	62,781	-	10,589
Celtic Pharma Holdings Advisors LLP	-	108,311	-	(152,978)
Celtic Pharma Holdings LP (Bermuda)	-	1,517	-	1,150
Celtic Pharma Management LP (Bermuda)	-	6,505	440,934	255,032
Celtic Pharma Management Services (Europe) Limited	439	147	-	-
S. A. Investors Limited	-	24,113	-	11,900
Homecallcentre Limited	1,498	-	-	-
2009	£	£	£	£
Celtic Pharma Development Services (Bermuda)	-	32,402	-	7,437
Celtic Pharma Development Services (Europe) Limited	5,661	80,851	-	1,624
Celtic Pharma Holdings Advisors LLP	-	973,060	-	4,463
Celtic Pharma Holdings LP (Bermuda)	-	1,021	-	1,021
Celtic Pharma Management LP (Bermuda)	-	1,437	524,141	1,437
Celtic Pharma Management Services (Europe) Limited	8,131	766	-	-
S. A. Investors Limited	-	3,258	-	(29,183)

J C Mayo CBE, is a director and shareholder in S A Investors Limited, a partner of Celtic Pharmaceutical Holdings LP, and a director of Celtic Pharma Management Services (Europe) Limited and Celtic Pharma Development Services Limited

Beehive Capital LLP is a limited partner in Celtic Pharma Management LP and Celtic Pharma Holdings Advisors LLP, with its liability to these partnerships being limited to its capital contribution of US \$6,000 and £6,300 respectively

In addition to the above transactions, Beehive Capital LLP lent £60,000 to Mr R Travers, a director of Homecallcentre Limited, a company in which J C Mayo CBE has a controlling interest

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEEHIVE CAPITAL LLP

We have audited the financial statements of Beehive Capital LLP for the year ended 31 March 2010 which comprise the Consolidated Profit and Loss Account, the LLP Profit and Loss Account, the Consolidated Balance Sheet, the LLP Balance Sheet, the Consolidated Cash Flow Statement and the notes to the financial statements. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the limited liability partnership's members, as a body, in accordance with Section 235 of the Companies Act 2006 as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations") and for no other purpose. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the members and auditors

The members' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Members' 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 are properly prepared in accordance with the Companies Act 2006 as applied to limited liability partnerships by the regulations. We also report to you if, in our opinion, the limited liability partnership has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

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

Basis of opinion

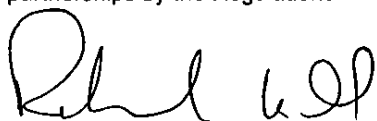
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the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

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the limited liability partnership's affairs as at 31 March 2010 and of the group's and LLP's profits and cash flows for the year then ended, and
- have been properly prepared in accordance with the Companies Act 2006, as applied to limited liability partnerships by the Regulations.



Richard Hill (Senior Statutory Auditor)
For and on behalf of

GRIFFIN STONE MOSCROP & CO
CHARTERED ACCOUNTANTS & STATUTORY AUDITORS

41 Welbeck Street
London W1G 8EA

Date 21 July 2010