

Registered number: OC303451



BEEHIVE CAPITAL LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014



GSM&Co

Griffin Stone Moscrop & Co
CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

Together, we'll build better business

BEEHIVE CAPITAL LLP

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BEEHIVE CAPITAL LLP

INFORMATION

Designated members	J. C. Mayo CBE E. H. Mayo
LLP registered number	OC303451
Registered office	21-27 Lamb's Conduit Street London WC1N 3GS
Independent auditors	Griffin Stone Moscrop & Co Chartered Accountants Statutory Auditors 21-27 Lamb's Conduit Street London WC1N 3GS

BEEHIVE CAPITAL LLP

MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2014

The members present their annual report together with the audited financial statements of Beehive Capital LLP (the LLP and the group) for the year ended 31 March 2014.

Principal activities

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

There have been no changes in the objectives since the last annual report.

Designated members

J. C. Mayo CBE and E. H. Mayo were designated members of the LLP and the group throughout the period.

Members' capital and interests

Each member's subscription to the capital of the LLP is determined by their share of the profit and is repayable following retirement from the LLP.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members after finalisation of the financial statements.

Policy on members' drawings

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.

Members' responsibilities statement

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law, as applied to LLPs, requires the 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 Accounting Standards and applicable law). Under company law, as applied to LLPs, 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 LLP and the group and of the profit or loss of the group for that period. In preparing these financial statements, the members are required to:

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

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP and the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the LLP and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

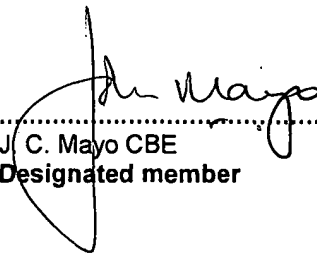
BEEHIVE CAPITAL LLP

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014**

Auditors

Griffin Stone Moscrop & Co. are deemed to be re-appointed in accordance with an elective resolution made under section 386(1) of the Companies Act 1985 which continues in force under the Companies Act 2006 (as applied to limited liability partnerships).

This report was approved by the members on 11.7.14 and signed on their behalf by:


.....
J.C. Mayo CBE
Designated member

BEEHIVE CAPITAL LLP

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 2014, which comprise the group profit and loss account, the group and LLP balance sheets, the group cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the LLP's members in accordance with the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the members' responsibilities statement, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the members' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent LLP's affairs as at 31 March 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements 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.

BEEHIVE CAPITAL LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEEHIVE CAPITAL LLP

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, as applied to limited liability partnerships, requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent LLP financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Richard Hill

Richard Hill (senior statutory auditor)

for and on behalf of
Griffin Stone Moscrop & Co

Chartered Accountants
Statutory Auditors

21-27 Lamb's Conduit Street
London
WC1N 3GS

Date: 16 July 2014

BEEHIVE CAPITAL LLP

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014**

	Note	2014 £	As restated 2013 £
Turnover	2	596,108	1,394,075
Administrative expenses		<u>(514,244)</u>	<u>(830,474)</u>
Operating profit	3	81,864	563,601
Interest receivable and similar income		<u>3,554</u>	<u>18,415</u>
Profit for the financial year before members' remuneration and profit shares available for discretionary division among members		85,418	582,016
Minority interests	14	<u>(20,586)</u>	<u>(194,795)</u>
Profit for the financial year		<u>64,832</u>	<u>387,221</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 11 to 22 form part of these financial statements.

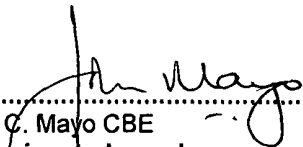
BEEHIVE CAPITAL LLP
REGISTERED NUMBER: OC303451
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2014

	Note	£	2014 £	As restated 2013 £
Fixed assets				
Tangible assets	7		23,967	13,932
Investments	8		24,998	24,998
			<u>48,965</u>	<u>38,930</u>
Current assets				
Debtors: amounts falling due after more than one year	10	50,049	20,127	
Debtors: amounts falling due within one year	10	533,219	2,033,022	
Cash at bank		729,804	447,009	
		<u>1,313,072</u>	<u>2,500,158</u>	
Creditors: amounts falling due within one year	11	(792,928)	(1,544,047)	
Net current assets			<u>520,144</u>	<u>956,111</u>
Total assets less current liabilities			<u>569,109</u>	<u>995,041</u>
Provisions for liabilities				
Other provisions	12		(210,000)	(190,000)
Net assets attributable to members			<u><u>359,109</u></u>	<u><u>805,041</u></u>
Represented by:				
Members' other interests				
Members' capital classified as equity		115,000	115,000	
Other reserves classified as equity		322,611	696,746	
			<u>437,611</u>	<u>811,746</u>
Minority interests	14		(78,502)	(6,705)
			<u>359,109</u>	<u>805,041</u>
Total members' interests				
Amounts due from members (included in debtors)			-	(92,572)
Members' other interests			<u>437,611</u>	<u>811,746</u>
	13		<u><u>437,611</u></u>	<u><u>719,174</u></u>

BEEHIVE CAPITAL LLP

**CONSOLIDATED BALANCE SHEET (continued)
AS AT 31 MARCH 2014**

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:


.....
J. C. Mayo CBE
Designated member
Date: 11.7.14

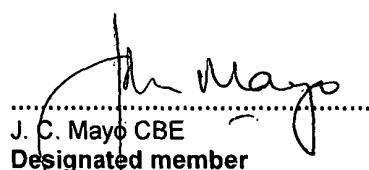
The notes on pages 11 to 22 form part of these financial statements.

BEEHIVE CAPITAL LLP
REGISTERED NUMBER: OC303451

LLP BALANCE SHEET
AS AT 31 MARCH 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	7		969		2,395
Investments	8		41,627		40,119
			<u>42,596</u>		<u>42,514</u>
Current assets					
Debtors: amounts falling due after more than one year	10	50,049		20,127	
Debtors: amounts falling due within one year	10	17,739		191,010	
Cash at bank		92,188		41,238	
		<u>159,976</u>		<u>252,375</u>	
Creditors: amounts falling due within one year	11	(60,645)		(125,756)	
Net current assets			<u>99,331</u>		<u>126,619</u>
Net assets attributable to members			<u>141,927</u>		<u>169,133</u>
Represented by:					
Members' other interests					
Members' capital classified as equity		115,000		115,000	
Other reserves		26,927		54,133	
		<u>141,927</u>		<u>169,133</u>	
Total members' interests					
Amounts due from members (included in debtors)			-		(92,572)
Members' other interests			<u>141,927</u>		<u>169,133</u>
	13		<u>141,927</u>		<u>76,561</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:


 J. C. Mayo CBE
 Designated member

Date: 11.7.14

The notes on pages 11 to 22 form part of these financial statements.

BEEHIVE CAPITAL LLP

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	15	735,946	(635,923)
Returns on investments and servicing of finance	16	3,554	18,415
Capital expenditure and financial investment	16	(17,927)	(39,859)
Net cash flow from transactions with members	16	(438,778)	(589,500)
Increase/(decrease) in cash in the year		282,795	(1,246,867)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 MARCH 2014**

	2014 £	2013 £
Increase/(decrease) in cash in the year	282,795	(1,246,867)
Movement in net funds in the year	282,795	(1,246,867)
Net funds at 1 April 2013	447,009	1,693,876
Net funds at 31 March 2014	729,804	447,009

The notes on pages 11 to 22 form part of these financial statements.

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships", issued in March 2010.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Beehive Capital LLP and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

The LLP has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

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.

1.3 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, turnover is recognised as the right to consideration obtained through performance of contractual obligations and is recognised exclusive of Value Added Tax.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short-term leasehold property	-	Over the term of the lease
Fixtures and fittings	-	5 years straight line
Computer equipment	-	3 years straight line

1.5 Investments

(i) Subsidiary undertakings

Within the parent LLP's financial statements, investments in subsidiaries are valued at cost less provision for impairment. 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.

(ii) Other investments

Investments held as fixed assets are shown at cost less provision for impairment.

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1. Accounting policies (continued)

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1.7 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 irrecoverable.

1.8 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.

1.9 Taxation

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

2. Turnover

The whole of the turnover is in respect of the group's and LLP's principal activities.

A geographical analysis of turnover is as follows:

	2014 £	2013 £
Europe	596,108	1,270,328
North America	-	123,747
	<u>596,108</u>	<u>1,394,075</u>

3. Operating profit

The operating profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the group	7,892	6,240
Difference on foreign exchange	(65,682)	48,228
	<u>(57,790)</u>	<u>54,468</u>

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

4. Auditors' remuneration

	2014 £	2013 £
Fees payable to the LLP's auditor for the preparation and audit of the LLP's annual accounts	11,000	11,000
Fees payable to the LLP's auditor in respect of:		
General professional advice and taxation services	4,000	4,000
Fees payable to the subsidiary's auditor for the audit of the subsidiary's accounts	5,500	4,200
Fees payable to the subsidiary's auditor in respect of all other non-audit services not included above	5,500	3,000
	<u>5,500</u>	<u>3,000</u>

5. Staff costs

The entity has no employees other than the members, who did not receive any remuneration (2013 - £NIL).

6. Information in relation to members

	2014 Number	2013 Number
The average number of members of the parent LLP during the year was	<u>2</u>	<u>2</u>
		As restated
	2014 £	2013 £
The amount of group profit attributable to the member of the parent LLP with the largest entitlement was	<u>58,414</u>	<u>348,886</u>

No remuneration was paid to the members of the parent LLP during the year.

BEEHIVE CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

7. Tangible fixed assets

Group	Leasehold property improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2013	11,712	30,923	202,301	244,936
Additions	-	-	17,927	17,927
At 31 March 2014	11,712	30,923	220,228	262,863
Depreciation				
At 1 April 2013	2,129	30,560	198,315	231,004
Charge for the year	2,555	363	4,974	7,892
At 31 March 2014	4,684	30,923	203,289	238,896
Net book value				
At 31 March 2014	7,028	-	16,939	23,967
At 31 March 2013	9,583	363	3,986	13,932

LLP	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 April 2013 and 31 March 2014	29,110	150,628	179,738
Depreciation			
At 1 April 2013	29,110	148,233	177,343
Charge for the year	-	1,426	1,426
At 31 March 2014	29,110	149,659	178,769
Net book value			
At 31 March 2014	-	969	969
At 31 March 2013	-	2,395	2,395

BEEHIVE CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

8. Fixed asset investments

			Unlisted investments £
Group			
Cost or valuation			
At 1 April 2013 and 31 March 2014			<u>24,998</u>
Net book value			
At 31 March 2014			<u>24,998</u>
At 31 March 2013			<u>24,998</u>
	Investments in subsidiary companies £	Unlisted investments £	Total £
LLP			
Cost or valuation			
At 1 April 2013	15,121	24,998	40,119
Additions	1,508	-	1,508
At 31 March 2014	<u>16,629</u>	<u>24,998</u>	<u>41,627</u>
Net book value			
At 31 March 2014	<u>16,629</u>	<u>24,998</u>	<u>41,627</u>
At 31 March 2013	15,121	24,998	40,119

Details of the principal subsidiaries can be found in Note 9.

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

9. Principal subsidiaries

Company name	Country	Percentage shareholding	Description
Celtic Pharma Holdings Advisors LLP	England & Wales	75.90%	Investment advisors
Celtic Pharma Holdings Advisors 3 LLP	England & Wales	88.41%	Dormant
Beehive Innovations Ltd	England & Wales	99%	Dormant
London Investors LLP	England & Wales	99%	Dormant

Celtic Pharma Holdings Advisors LLP was incorporated on 16 April 2008. It has a financial year end of 31 March and its financial statements for the year ended 31 March 2014 show a profit before tax of £81,828 (2013 - £633,069) and net assets of £242,405 (2013 - £661,132).

Celtic Pharma Holdings Advisors 3 LLP was incorporated on 12 August 2010 and prepared its first period of audited accounts to 31 August 2011, showing a loss before tax of £25,224 and net liabilities of £15,224. The LLP has since been dormant, showing a profit before tax of £nil and net liabilities of £15,224.

Beehive Innovations Ltd and London Investors LLP were incorporated on 13 July 2012 and have both since been dormant.

10. Debtors

	<u>Group</u>		<u>LLP</u>	
	2014 £	2013 £	2014 £	2013 £
Due after more than one year				
Other debtors	<u>50,049</u>	<u>20,127</u>	<u>50,049</u>	<u>20,127</u>
	<u>Group</u>		<u>LLP</u>	
	2014 £	As restated 2013 £	2014 £	2013 £
Due within one year				
Trade debtors	7,118	1,504,242	-	4,204
Amounts owed by related parties	136,503	76,723	1,437	1,437
Other debtors	356,792	330,423	7,494	92,797
Prepayments and accrued income	32,806	29,062	8,808	-
Amounts due from members	-	92,572	-	92,572
	<u>533,219</u>	<u>2,033,022</u>	<u>17,739</u>	<u>191,010</u>

Amounts due from members relate to J. C. Mayo CBE. Amounts due from members and related parties are unsecured, interest free and have no fixed date of repayment.

BEEHIVE CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

11. Creditors:
Amounts falling due within one year

	<u>Group</u>		<u>LLP</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	103,130	72,111	28,513	66,749
Amounts owed to group undertakings	-	-	502	-
Other creditors	-	28,886	16,629	44,007
Accruals and deferred income	689,798	1,443,050	15,001	15,000
	792,928	1,544,047	60,645	125,756

12. Provisions

Group	£
At 1 April 2013	190,000
Additions	20,000
At 31 March 2014	210,000

Provision for dilapidation

On termination of the office lease in 2017, Celtic Pharma Holdings Advisors LLP has a contractual obligation to make good the premises which it occupied at the balance sheet date. The amount provided for is an estimate of the cost of such repairs to date.

The LLP has no provisions.

BEEHIVE CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

13. Reconciliation of members' interests

Group	Members' capital (classified as equity) £	Other reserves £	Total members' capital and other reserves £	Loans and debts due to members less any amounts due from members in debtors £	Total £
Members' interests brought forward (as restated)	115,000	696,746	811,746	(92,572)	719,174
Profit for the year available for discretionary division among members	-	64,832	64,832	-	64,832
Members' interests after profit for the year	115,000	761,578	876,578	(92,572)	784,006
Allocated profit for period	-	(438,967)	(438,967)	438,967	-
Amounts introduced by members	-	-	-	92,572	92,572
Members' drawings	-	-	-	(438,967)	(438,967)
Members' interests carried forward	115,000	322,611	437,611	-	437,611
LLP	£	£	£	£	£
Members' interests brought forward	115,000	54,133	169,133	(92,572)	76,561
Profit for the year available for discretionary division among members	-	411,761	411,761	-	411,761
Members' interests after profit for the year	115,000	465,894	580,894	(92,572)	488,322
Allocated profit for period	-	(438,967)	(438,967)	438,967	-
Amounts introduced by members	-	-	-	92,572	92,572
Members' drawings	-	-	-	(438,967)	(438,967)
Members' interests carried forward	115,000	26,927	141,927	-	141,927

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

14. Minority interests

At the balance sheet date the parent LLP had a 75.90% (2013: 69.23%) interest in Celtic Pharma Holdings Advisors LLP. Accordingly, 24.10% (2013: 30.77%) of that entity is held by outside members, giving rise to a minority interest to be accounted for within the consolidated financial statements.

At the balance sheet date the parent LLP had an 88.41% (2013: 80.00%) interest in Celtic Pharma Holdings Advisors 3 LLP. Accordingly, 11.59% (2013: 20.00%) of that entity is held by outside members, giving rise to a minority interest to be accounted for within the consolidated financial statements.

Full details of the component parts of the minority interest at the balance sheet date are given below. The minority interest carrying value at 31 March 2014 is after correcting for an error of £52,706 in the apportionment of the group profit for 2013 which was identified during the preparation of the 2014 statutory group accounts and for an adjustment of £221,354 as at 31 March 2013 made to an amount within debtors being shown as recoverable from a former member of the active subsidiary LLP. The effect of these corrections on the minority interest value at 1 April 2013 is shown below:

	£
At 1 April 2013 (as previously stated)	161,943
Prior year adjustment	(168,648)
At 1 April 2013 (as restated)	(6,705)
Proportion of profit for the year	20,586
Net drawings made by minority members	(92,383)
At 31 March 2014	(78,502)

15. Net cash flow from operating activities

	2014 £	2013 £
Operating profit	81,864	563,601
Depreciation of tangible fixed assets	7,892	6,240
Decrease/(increase) in debtors	1,377,309	(947,296)
Decrease in creditors	(751,119)	(448,468)
Increase in provisions	20,000	190,000
Net cash inflow/(outflow) from operating activities	735,946	(635,923)

BEEHIVE CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

16. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	3,554	18,415
	<u>3,554</u>	<u>18,415</u>
	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(17,927)	(14,861)
Purchase of unlisted and other investments	-	(24,998)
	<u>(17,927)</u>	<u>(39,859)</u>
Net cash outflow from capital expenditure	<u>(17,927)</u>	<u>(39,859)</u>
	2014 £	2013 £
Transactions with members		
Payments to members	(338,967)	(661,556)
Contributions by members	92,572	-
Drawings by minority interest members	(192,383)	72,056
	<u>(438,778)</u>	<u>(589,500)</u>
Net cash outflow from transactions with members	<u>(438,778)</u>	<u>(589,500)</u>
Analysed as follows:		
Net transactions with minority interest members relating to equity	(192,383)	72,056
Net transactions with members relating to equity	(246,395)	(661,556)
	<u>(438,778)</u>	<u>(589,500)</u>

17. Analysis of changes in net funds

	1 April 2013 £	Cash flow £	Other non-cash changes £	31 March 2014 £
Cash at bank and in hand	447,009	282,795	-	729,804
Net funds	<u>447,009</u>	<u>282,795</u>	<u>-</u>	<u>729,804</u>

BEEHIVE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

18. Related party transactions

The LLP and group headed by it had transactions with the following organisations which are considered as related parties. Unless otherwise stated these organisations are registered businesses in England and Wales.

Beehive Capital LLP is a limited partner in Celtic Pharma Management LP (Bermuda), and a corporate partner in Celtic Pharma Holdings Advisors LLP and Celtic Pharma Holdings Advisors 3 LLP, with its liability in these partnerships being limited principally to its capital contribution of US \$6,000, £7,590 and £8,841, respectively.

During the year Beehive Capital LLP received a distribution of £408,172 (2013 - £105,186) from Celtic Pharma Holdings Advisors LLP. This amount has been eliminated in arriving at the consolidated profit and loss account.

J. C. Mayo CBE, the controlling member of the parent Beehive Capital LLP, is a director of S A Investors Limited. Pro Bono Bio International Trading Limited and Pro Bono Bio Entrepreneur Limited have the same common senior management as Celtic Pharma Holdings Advisors LLP.

Group

	Expenses charged to group	Expenses recharged at cost	Services provided	Balance receivable/ (payable) at 31 March
	£	£	£	£
2014				
Celtic Pharma Management LP (registered in Bermuda)	-	-	-	1,437
S A Investors Limited	36,293	265	-	40,723
Pro Bono Bio International Trading Limited	74,678	-	-	7,363
Pro Bono Bio Entrepreneur Limited	157,605	117,613	-	86,979
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
2013				
Celtic Pharma Management LP (registered in Bermuda)	-	-	123,747	1,437
S A Investors Limited	156,212	9,767	-	4,959
Pro Bono Bio Entrepreneur Limited	-	52,686	-	63,223
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>

BEEHIVE CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

18. Related party transactions (continued)

LLP

	Expenses charged to Beehive	Expenses recharged at cost	Services provided	Balance receivable/ (payable) at 31 March
	£	£	£	£
2014				
Celtic Pharma Holdings Advisors LLP	418	21,645	-	(502)
Celtic Pharma Management LP (registered in Bermuda)	-	-	-	1,437
Pro Bono Bio Entrepreneur Limited	-	1,060	-	-
S A Investors Limited	(5,190)	265	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	£	£	£	£
2013				
Celtic Pharma Holdings Advisors LLP	583	29,646	-	(341)
Celtic Pharma Management LP (registered in Bermuda)	-	-	123,747	1,437
S A Investors Limited	156,212	-	-	(4,025)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19. Controlling party

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