

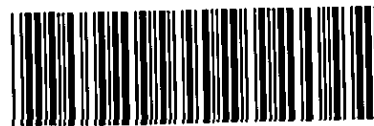
OC 310828

Montrose Global Capital LLP

Report and Financial Statements

31 December 2008

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18/06/2009

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COMPANIES HOUSE

Registered No. OC310828

Designated members

R Eyre
Peak Finance Partners V, L.P.

Auditors

Ernst & Young LLP
1 More London Place
London SE1 2AF

Bankers

HSBC Bank PLC
72 Kensington High Street
London W8 4SH

Solicitors

Allen & Overy LLP
One New Change
London EC4M 9QQ

Registered Office

43-44 Albemarle Street
1st Floor
London W1S 4JJ

Members' report

The members submit their annual report and the audited financial statements of Montrose Global Capital LLP (the LLP) for the year ended 31 December 2008. The members confirm that the annual report and financial statements of the LLP comply with current statutory requirements and the requirements of the LLP's governing document.

The report of the members has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to LLP's.

Principal activity

The principal object of the LLP in the year under review continued to be that of the provision of portfolio management and leasing advisory services to institutional investors.

Designated members

The following were designated members during the year:

R Eyre
Peak Finance Partners V, L.P.

Results for the year and allocation to members

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is agreed between the members at the beginning of the financial year, taking into account the anticipated cash needs of the LLP. Any variation will be agreed by the members.

Political and charitable contributions

The LLP has made charitable donations of £1,500 in the year.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the members:



Designated Member

08 JUN 2009

Statement of members' responsibilities

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

Legislation applicable to limited liability partnerships 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). The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing these 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the members of Montrose Global Capital LLP

We have audited the financial statements of Montrose Global Capital LLP for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 15. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the members, as a body, in accordance with the Limited Liability Partnerships Regulations 2001 made under the Limited Liability Partnerships Act 2000. Our audit work has been undertaken so that we might state to the 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'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 members' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page 2.

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 Limited Liability Partnerships Regulations 2001 made under the Limited Liability Partnerships Act 2000.

In addition, we report to you if, in our opinion, the LLP 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 Report of the Members and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the LLP's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations 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.

Independent auditors' report

to the members of Montrose Global Capital LLP

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 LLP's affairs as at 31 December 2008 and of its loss for the year then ended.
- The financial statements have been properly prepared in accordance with the Limited Liability Partnerships Regulations 2001.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
London

15 JUN 2009

Profit and loss account

for the year ended 31 December 2008

	Notes	2008 £	2007 £
<i>Turnover</i>	2	53,145	1,677,508
Administrative expenses		783,308	1,381,668
		<hr/>	<hr/>
<i>Operating (loss)/profit</i>	4	(730,163)	295,840
Interest receivable and similar income		6,276	16,260
		<hr/>	<hr/>
<i>(Loss)/profit for the financial year before members' remuneration and profit shares</i>		(723,887)	312,100
Members' remuneration charged as an expense	5	(50,749)	(457,248)
		<hr/>	<hr/>
<i>Loss for the financial year available for discretionary division among members</i>	11	(774,636)	(145,148)
		<hr/>	<hr/>

Statement of total recognised gains and losses

for the year ended 31 December 2008

There are no recognised gains and losses other than the loss for the year of £774,636 (2007 – loss of £145,148).

Balance sheet

at 31 December 2008

	Notes	2008 £	2007 £
Fixed assets			
Tangible assets	6	29,622	65,472
Current assets			
Debtors	7	298,622	146,351
Cash at bank and in hand		269,235	251,391
		567,857	397,742
Creditors: amounts falling due within one year	8	139,845	415,370
Net current assets/(liabilities)		428,012	(17,628)
Total assets less current liabilities		457,634	47,844
Loans and other debts due to members	10	(405,107)	655
Members' other interests			
Capital accounts	11	862,741	47,189
		457,634	47,844
Total members' interests			
Loans and other debts due to members	10	(405,107)	655
Members' other interests	11	862,741	47,189
Amounts due from members	7	(135,329)	(3,535)
	11	322,305	44,309

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001 relating to small LLPs and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the members of the LLP on

08 JUN 2009

Designated member

Notes to the financial statements

at 31 December 2008

1. Accounting policies

Basis of preparing the financial statements

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

Turnover

Revenue is recognised when all work required by the terms of applicable agreements has been performed, the amount of revenue is determinable, the partnership's claim for consideration has been fixed, and the partnership has no further obligation to provide significant work.

Tangible fixed assets

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 basis:

Short-term leasehold property	–	remaining lease term
Fixtures and fittings	–	5 years
Office equipment	–	5 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

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.

Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Pensions

The entity makes contributions to the personal pension schemes of employees. Contributions are charged to the profit and loss account as they become payable.

Taxation

Taxation on all partnership profits is solely the personal liability of the individual members. Consequently neither taxation nor related deferred taxation arising in the partnership has been accounted for in the partnership financial statements.

Presentation of cash flow statement

Montrose Global Capital has taken advantage of the exemption from the requirement to prepare a cash flow statement conferred by Financial Reporting Standard 1 (revised).

Notes to the financial statements

at 31 December 2008

2. Turnover

Turnover consists of fee income for the provision of portfolio management and leasing advisory services from continuing activities, stated net of value added tax.

An analysis of turnover by geographical market is as follows:

	2008 £	2007 £
Europe	–	682,564
United States of America	53,145	994,944
	<u>53,145</u>	<u>1,677,508</u>

3. Employee information

Staff costs were as follows:

	2008 £	2007 £
Wages and salaries	320,577	754,004
Social Security costs	23,813	91,911
Other pension costs	46,506	40,171
	<u>390,896</u>	<u>886,086</u>

The average monthly number of persons (including members with contracts of employment) employed during the year was 4 (2007 – 6)

4. Operating (loss)/profit

This is stated after charging:

	2008 £	2007 £
Depreciation – owned assets	37,664	36,335
Loss on disposal of fixed assets	–	408
Auditors' remuneration	19,000	21,000
Operating lease rentals	73,160	77,634
Foreign exchange differences	1,721	100,146
	<u></u>	<u></u>

Notes to the financial statements

at 31 December 2008

5. Information in relation to members

Members' remuneration charged as an expense.

	2008 £	2007 £
Remuneration paid under an employment contract	50,749	457,248
Value of contributions to money purchase schemes	24,000	18,250
	2008 No.	2007 No.
The average number of members during the year was	2	2
Members of money purchase schemes	1	1

Member's remuneration has been charged to the profit and loss account as an expense.

6. Tangible fixed assets

	Leasehold improvement £	Furniture, fittings and equipment £	Totals £
Cost:			
At 1 January 2008	94,961	87,557	182,518
Additions	–	1,814	1,814
At 31 December 2008	94,961	89,371	184,332
Depreciation:			
At 1 January 2008	53,408	63,638	117,046
Charge for year	20,187	17,477	37,664
At 31 December 2008	73,595	81,115	154,710
Net book value:			
At 31 December 2008	21,366	8,256	29,622
At 31 December 2007	41,553	23,919	65,472

Notes to the financial statements

at 31 December 2008

7. Debtors: amounts falling due within one year

	2008 £	2007 £
Other debtors	116,503	59,764
Prepayments and accrued income	46,790	83,052
Amounts due from members	135,329	3,535
	<u>298,622</u>	<u>146,351</u>

8. Creditors: amounts falling due within one year

	2008 £	2007 £
Bank loans and overdrafts	–	10,739
Trade creditors	66,192	33,535
Other creditors	25,000	–
Accruals and deferred income	48,653	371,096
	<u>139,845</u>	<u>415,370</u>

9. Operating lease commitments

At 31 December 2008 the LLP had annual commitments under non-cancellable operating lease as follows:

	2008 £	2007 £
Expiring: In more than five years	81,173	81,173

10. Loans and other debts due to/(from) members

	2008 £	2007 £
Loans from members	368,874	–
Member capital treated as debt	655	145,802
Amounts due from members	(774,636)	(145,147)
	<u>(405,107)</u>	<u>655</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

Notes to the financial statements

at 31 December 2008

11. Members' interests

	Members' other interests				
	<i>Members' capital (classified as equity)</i>	<i>Reserves</i>	<i>Total</i>	<i>Loans and other debts due to/(from) members less any amounts due from members in debtors</i>	<i>Total</i>
	£	£	£	£	£
Amount due to members	–	–		655	
Amount due from members	–	–		(3,534)	
Balance at 1 January 2008	47,189	–	47,189	(2,879)	44,310
Members' remuneration charged as an expense, including employment and retirement benefit costs	–	–	–	50,749	50,749
Loss for the financial year available for discretionary division among members	–	(774,636)	(774,636)	–	(774,636)
Members' interests after loss for the year	47,189	(774,636)	(727,447)	47,870	(679,577)
Other divisions of loss	–	774,636	774,636	(774,636)	–
Introduced by members	815,552	–	815,552	368,874	1,184,426
Drawings	–	–	–	(182,544)	(182,544)
Balance at 31 December 2008	862,741	–	862,741	(540,436)	322,305

12. Pension commitments

The group makes contributions to the personal pension schemes for its employees. The unpaid contributions outstanding at the year end, included within other creditors (note 8) is £nl (2007 – £5,067)

13. Ultimate parent company

The immediate parent undertaking is Peak Finance Partners V, L.P.

In the members' opinion, the partnership's ultimate parent undertaking is Bank of America N.A. which is incorporated in the United States of America. Copies of its group financial statements, which include the limited liability partnership are available from its website.

Notes to the financial statements

at 31 December 2008

14. Related party disclosures

The partnership has taken advantage of the exemptions under FRS 8 from disclosing transactions with entities which are part of the Bank of America N.A group, as the consolidated financial statements of that group are publicly available.

During the year, the partnership received a loan of £25,000 from Finova Aviation Leasing Limited, a company in which R Eyre is the sole director. At the balance sheet date the full amount is outstanding and included in other creditors.

15. Events after the year end - partnership agreement

In 2009 the two designated members entered into preliminary discussion in relation to a possible early termination of the Partnership Agreement which currently expires on 31 December 2030.