

Registered number OC321208

LOWNDES PARTNERS LLP
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2009

TUESDAY



A08 *A39WINSF* 252
28/09/2010
COMPANIES HOUSE

LOWNDES PARTNERS LLP

CONTENTS	Pages
Designated members and advisers	2
Members' Report	3
Statement of members' responsibilities	4
Independent auditors' report	5 – 6
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10 – 18

LOWNDES PARTNERS LLP

DESIGNATED MEMBERS AND ADVISERS

Designated members

Richard Choi
Annette Julie Green
Maxwell James

Registered office

7 Savile Row
London
W1S 3PE

Bankers

Barclays Bank
1 Churchill Place
London
E14 5HP

Auditors

Nexia Smith & Williamson
25 Moorgate
London
EC2R 6AY

Accountants and tax advisers

Smith & Williamson
25 Moorgate
London
EC2R 6AY

Solicitors

Ashurst
Broadwalk House
5 Appold Street
London
EC2A 2HA

Registered number

OC321208

LOWNDES PARTNERS LLP

MEMBERS' REPORT (continued)

The members present their report and the financial statements for the year ended 31 December 2009

Activities

The principal activity of the LLP is an investment bank focused on the real estate industry

Review of business and future developments

In the opinion of the members the state of the LLP's affairs at 31 December 2009 is satisfactory The future outlook appears favourable

Results for the year and division amongst Members

The loss for the year available for discretionary division amongst members was £436,000 (2008 £1,051,000)

Designated members

The following were designated members during the year

Richard Choi
Annette Julie Green
Maxwell James

Members' drawings and the subscription and repayment of members' capital

Drawings and capital subscriptions are determined taking into account the anticipated cash needs and capital requirements of the LLP

Pillar 3 Disclosure

The Pillar 3 disclosure statement is available from the LLP's registered office, 7 Savile Row, London W1S 3PE

Auditors

A resolution to reappoint Nexia Smith & Williamson as auditors will be proposed at the next designated members' meeting

**Approved by the members
and signed on their behalf**

Richard Choi
Designated Member



Registered number OC321208

LOWNDES PARTNERS LLP

STATEMENT OF MEMBERS' RESPONSIBILITIES

Legislation applicable to limited liability partnerships requires the members to prepare accounts for each financial year which 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 those accounts, 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts,
- Prepare the accounts 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 accounts comply with the Limited Liability Partnerships Regulations. They are also responsible for safeguarding the assets of the LLP and thence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

These responsibilities are exercised by the designated members on behalf of the members.

Nexia Smith & Williamson

Independent auditors' report to the members of Lowndes Partners LLP

We have audited the financial statements of Lowndes Partners LLP for year ended 31 December 2009 which comprise the profit and loss account, the balance sheet, the cashflow statement and the related notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 (as applied to limited liability partnerships). 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 as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

The members' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view 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 have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, have been prepared in accordance with the Companies Act 2006 (as applied to limited liability partnerships), and give a true and fair view.

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 other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Members' Report. 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 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 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.

Nexia Smith & Williamson

Independent auditors' report to the members of Lowndes Partners LLP (continued)

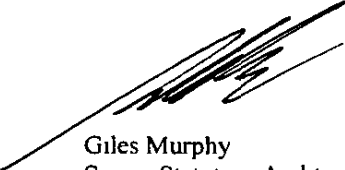
Opinion

In our opinion

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006 (as applied to limited liability partnerships), and
- the financial statements give a true and fair view of the state of the LLP's affairs as at 31 December 2009 and of the loss for the year then ended

Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the LLP's ability to continue as a going concern. The LLP incurred a net loss of £436,000 during the year ended 31 December 2009 and, at that date the LLP met its regulatory capital requirement. Despite a positive cash balance of £243,000, and net assets of £717,000 at 31 December 2009, should the projected sales targets not be met, or if losses are incurred at a similar rate in the one year period from the date of approval of the financial statements, a regulatory capital breach may be incurred if members' support is not forthcoming. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the LLP's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the LLP was unable to continue as a going concern.



Giles Murphy
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

Date 21 April 2010

LOWNDES PARTNERS LLP**PROFIT AND LOSS ACCOUNT for the year ended 31 DECEMBER 2009**

	Notes	2009 £'000	2008 £'000
Turnover	1	560	22
Cost of sales		(45)	-
Gross profit		515	22
Operating costs			
Staff costs	2	(125)	(169)
Depreciation		(14)	(15)
Other operating charges		(364)	(485)
Operating profit/(loss)	4	12	(647)
Interest receivable and similar income		2	48
Interest payable and similar charges	6	-	(2)
Profit/(loss) for the financial year before members' remuneration and profit shares		14	(601)
Members' remuneration charged as an expense	3	(450)	(450)
Loss for the financial year available for discretionary division among members	11	(436)	(1,051)

All of the LLP's operations are classed as continuing. There were no gains or losses in either period other than those included in the above profit and loss account.

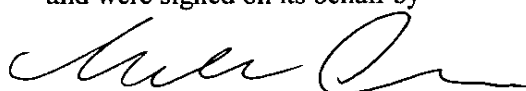
LOWNDES PARTNERS LLP

BALANCE SHEET as at 31 DECEMBER 2009

	Notes	2009 £'000	2008 £'000
Fixed assets			
Tangible assets	7	19	33
Investments	8	250	250
		<hr/> 269	<hr/> 283
Current assets			
Debtors – amounts falling due within one year	9	120	39
Debtors – amounts falling due after more than one year	9	165	164
Cash at bank		243	552
		<hr/> 528	<hr/> 755
Creditors: amounts falling due within one year	10	(80)	(60)
		<hr/> 448	<hr/> 695
Net current assets			
		<hr/> 717	<hr/> 978
Net assets attributable to members			
Represented by:			
<i>Equity</i>			
Members' capital – classified as equity under FRS 25	11	1,800	1,800
Other reserves – classified as equity under FRS 25	11	(1,300)	(864)
		<hr/> 500	<hr/> 936
Loans & other debts due to members within one year			
Other amounts	11	217	42
		<hr/> 717	<hr/> 978
Total members' interests			
Loans & other debts due to members	11	217	42
Members' other interest	11	500	936
		<hr/> 717	<hr/> 978

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

21 April 2010



Richard Choi
Designated Member

LOWNDES PARTNERS LLP**CASH FLOW STATEMENT for the year ended 31 DECEMBER 2009**

	Notes	2009 £'000	2008 £'000
Net cash (outflow)/inflow from operating activities	13	(35)	154
Returns on investments and servicing of finance			
Interest received		1	32
Interest paid		-	(2)
Net cash inflow from returns on investments and servicing of finance		1	30
Capital expenditure			
Payments to acquire tangible fixed assets		-	(1)
Net cash outflow for capital expenditure		-	(1)
Transactions with members			
Drawings and distributions to members		(275)	(1,023)
Capital contributions by members		-	482
Net cash outflow from transactions with members		(275)	(541)
Decrease in cash in the year	14	(309)	(358)

LOWNDES PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009

1 Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'. A summary of the more important accounting policies adopted are described below

Basis of accounting

The financial statements have been prepared under the historical cost convention and on a going concern basis

As an FSA regulated entity, the LLP is required to maintain a predetermined level of regulatory capital on an ongoing basis. The requirement to maintain sufficient regulatory capital will continue as long as the LLP continues to carry out its current activities. However, there is uncertainty as to whether the requirement will be met should losses be incurred in the 12 month period from the date the financial statements are approved at a similar rate to which they were incurred during the year ended 31 December 2009

The members have prepared the financial statements on a going concern basis as they consider that the LLP will generate sufficient cash resources to meet its liabilities as they fall due and that the financial position of the LLP will allow it to meet its regulatory capital requirements. This is based on the successful completion of a small proportion of advisory work undertaken during the year but still ongoing at the balance sheet date and at the date of approval of these financial statements

In addition, the members also consider that members' financial support will be forthcoming if required, although no guarantees have been given at this stage

Turnover

Turnover represents corporate finance advisory fees, retainers and expenses recovered from clients incurred during the provision of services, excluding value added tax

Advisory fees are recognised on the successful completion of the transaction, retainers are reorganised as the contractual obligations are met and the recovery of expenses is recognised as they are incurred

Capital, allocation of profits and drawings

The capital requirements of the LLP are determined in accordance with the LLP Deed. Each member is required to subscribe to a proportion of this capital. No interest is paid on capital. As the LLP has the unconditional right to withhold members capital and other reserves they have been classified as equity under FRS 25

LOWNDES PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)

1 Accounting policies (continued)

Capital, allocation of profits and drawings (continued)

Priority profit shares are made in accordance with the LLP Deed and are treated as members' remuneration charged as an expense. Any remaining profit can be divided amongst the members but on the discretion of the LLP, and in accordance with the terms of the LLP Deed.

Profits are treated as allocated at the point of distribution.

Fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets concerned. The following annual rates are used,

Computer equipment	- 33% straight-line
Furniture, fittings & equipment	- 20% - 33% straight-line

Investments

Investments are recorded at cost less any provision for impairment.

Taxation

Members are personally liable for taxation on their share of the LLP's profits. Consequently, no reserve for taxation is made in these financial statements.

Operating lease agreements

Rentals paid under operating leases are charged to income on a straight-line basis over the term of the lease. Rent free periods or other incentives received for entering into a lease are accounted for over the period of the lease so as to spread the benefit received over the lease term.

Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the profit and loss account.

LOWNDES PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)

2 Employee information

The average number of persons employed by the LLP (excluding members) during the year was

	2009 Number	2008 Number
Administration	2	3
	<hr/>	<hr/>
	£'000	£'000
Staff costs for the above persons were.		
Wages and salaries	107	137
Social security costs	12	16
Medical insurance	6	16
	<hr/>	<hr/>
	125	169
	<hr/>	<hr/>

3 Information in relation to members

	Number	Number
The average number of members during the year was	7	7
	<hr/>	<hr/>
Included in the above are the 3 designated members of the LLP		
	£'000	£'000
Salaried remuneration of members' paid under the terms of the LLP agreement	450	450
	<hr/>	<hr/>

LOWNDES PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)

4.	Operating profit/(loss) is stated after charging	2009 £'000	2008 £'000
	Depreciation	14	15
	Operating lease rentals		
	-plant and machinery	3	3
	-other	115	114
		<hr/>	<hr/>
5	Auditors' remuneration	£'000	£'000
	Fees payable to the LLP's auditors for the audit of the LLP's annual financial statements	15	15
		<hr/>	<hr/>
	Fees payable to the LLP's auditors and their associates for other services		
	- Tax services	10	11
	- Other services	17	13
		<hr/>	<hr/>
	Total non audit fees	27	24
		<hr/>	<hr/>
6	Interest payable and similar charges	£'000	£'000
	On bank overdrafts	-	2
		<hr/>	<hr/>

LOWNDES PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)

7	Tangible fixed assets			
		Computer equipment £'000	Furniture, fittings & equipment £'000	Total £'000
	Cost			
	At 1 January 2009	17	46	63
	Additions	-	-	-
	At 31 December 2009	17	46	63
	Depreciation			
	At 1 January 2009	12	18	30
	Charge for the year	5	9	14
	At 31 December 2009	17	27	44
	Net book value			
	At 31 December 2009	-	19	19
	At 31 December 2008	5	28	33
8	Investments			£'000
	Cost			
	At 1 January 2009 & 31 December 2009			250

LOWNDES PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)

9	Debtors	2009	2008
		£'000	£'000
	Amounts falling due within one year		
	Trade debtors	75	-
	Other debtors	8	15
	Prepayments and accrued income	37	24
		<hr/>	<hr/>
		120	39
	Amounts falling due after more than one year		
	Other debtors	165	164
		<hr/>	<hr/>
		285	203
		<hr/>	<hr/>
10	Creditors amounts falling due within one year	£'000	£'000
	Trade creditors	7	19
	Other taxation and social security	19	5
	Accruals and deferred income	54	36
		<hr/>	<hr/>
		80	60
		<hr/>	<hr/>

LOWNDES PARTNERS LLP

**NOTES TO THE FINANCIAL STATEMENTS for the year ended
31 DECEMBER 2009 (continued)**

11 Reconciliation of members' interest

	Members' capital £000	Members' equity interests Other reserves £000	Total £000	Amounts due to members £000	Total £000
Members' interests at 1 January 2009	1,800	(864)	936	42	978
Members' remuneration charged as an expense	-	-	-	450	450
Loss for the financial year available for discretionary division among members	-	(436)	(436)	-	(436)
Members' interests after loss for the year	1,800	(1,300)	500	492	992
Drawings	-	-	-	(275)	(275)
Members' interests at 31 December 2009	1,800	(1,300)	500	217	717

LOWNDES PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)

15 Analysis of net funds

	At 1 January 2009 £'000	Cash flow £'000	At 31 December 2009 £'000
Cash	552	(309)	243

16 Controlling party

In the opinion of the members, there was no controlling party as defined by Financial Reporting Standard No 8 'Related Party Disclosures'

17 Contingent liabilities

At 31 December 2009, the LLP had no contingent liabilities (2008 £nil)

LOWNDES PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)

12 Operating lease commitments

At 31 December 2009 the LLP had annual commitments under operating leases as follows

	2009 £'000	2008 £'000
Land and buildings		
For leases expiring Between two and five years	126	126
Other		
For leases expiring Between two and five years	3	3

13 Reconciliation of operating profit/(loss) to net cash (outflow)/inflow from operating activities

	£'000	£'000
Operating profit/(loss)	12	(647)
Depreciation	14	15
(Increase)/decrease in debtors	(81)	830
Increase/(decrease) in creditors	20	(44)
Net cash (outflow)/inflow from operating activities	(35)	154

14 Reconciliation of net cash flow to movement in net funds

	£'000	£'000
Decrease in cash in the year	(309)	(358)
Net funds at start of year	552	910
Net funds at the end of year	243	552