

**FCM Seed LLP**

**FCM Seed LLP**

**Report and Financial Statements**

**For the period ended 31 March 2008**

*Registered No OC323340  
Registered in England and Wales*

WEDNESDAY



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05/11/2008

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COMPANIES HOUSE

**FCM Seed LLP**

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**FCM Seed LLP**

**MEMBERS' REPORT**

The members present their report and financial statements for the period ended 31 March 2008

**Incorporation**

FCM Seed LLP was formed on 19 October 2006 under the Limited Liability Partnership Act 2000 with Partnership No OC323340

**Principal activity**

The principal activity of FCM Seed LLP is that of an investment holding business

These financial statements are the first statutory financial statements for FCM Seed LLP and reflect the results for the period ended 31 March 2008

**Policy for Members Drawings and Repayment of Capital**

All capital gains/ (losses) and net income/ (losses) are to be allocated between each Investor in proportion to the balance of the Investor's commitment to the LLP

**Designated members**

The designated members during the period were

Dover Street Partnership Services Limited  
FF&P Partnership Services Limited

**Auditors**

Kingston Smith LLP have indicated their willingness to act as auditors and in accordance with the provisions of the Companies Act 1985, as modified by the Limited Liability Partnership Regulations 2001, it is proposed that they be re-appointed as auditors for the ensuing year

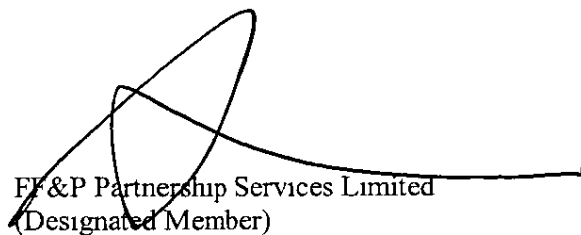
**Statement of disclosure to auditor**

- (a) so far as the members are aware, there is no relevant audit information of which the LLP's auditors are unaware, and
- (b) the members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

On behalf of the members on 5/11/08



Dover Street Partnership Services Limited  
(Designated Member)



FF&P Partnership Services Limited  
(Designated Member)

**FCM Seed LLP**

**MEMBERS' RESPONSIBILITIES AND REPORT OF THE AUDITORS**

**Statement of Members' Responsibilities**

The Limited Liability Partnerships Regulations 2001 made under the Limited Liability Partnership Act 2000 requires the members to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the LLP and of the profit or loss for that period

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 and prepare the financial statements on a going concern basis unless it is inappropriate to assume that the LLP will continue in business

The designated 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 Limited Liability Partnership Act 2000. 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 FCM Seed LLP**

We have audited the financial statements of FCM Seed LLP for the period ended 31 March 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out therein

This report is made solely to the LLP's members. Our audit work has been undertaken for no purpose other than to draw to the attention of the LLP's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the LLP and 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**

As described in the Statement of Members' Responsibilities, the LLP's members are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards ('United Kingdom Generally Accepted Accounting Practice')

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 1985, as modified by the Limited Liability Partnership Regulations 2001. We also report to you whether, in our opinion, the Members' Report is consistent with the financial statements, if the LLP has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding members' remuneration and transactions with the LLP is not disclosed

**FCM Seed LLP**

We read the Members' Report 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 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.

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 March 2008 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985 as modified by the Limited Liability Partnership Regulations 2001 and the Limited Liability Partnership Act 2000, and
- the information given in the members' report is consistent with the financial statements.

*V.S. Smith LLP*

**Kingston Smith LLP**  
**Chartered Accountants and**  
**Registered Auditors**

**Devonshire House**  
**60 Goswell Road**  
**London**  
**EC1M 7AD**

Date 5/11/2008

FCM Seed LLP

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2008

	<i>Note</i>	<i>2008</i>
		<b>£</b>
Administrative expenses	2	(8,495)
<b>Operating Loss</b>		<u>(8,495)</u>
Attributable loss on sale of investments	3	(1,977,733)
Provision for diminution in value of investments	6	(534,047)
Interest receivable and similar income		201,813
Loss on exchange differences		(148,107)
Interest payable		<u>(25,084)</u>
<b>(Loss) for the financial year before members' remuneration and profit shares</b>		(2,491,653)
Members' remuneration charged as an expense		
Allocation of loss to members	9	<u>2,491,653</u>
<b>Result for the financial period available for discretionary division among members</b>		<u>-</u>

The results above relate to continuing operations

The LLP had no recognised gains or losses other than those included in the losses above and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the loss for the period stated above and their historical cost equivalents

**FCM Seed LLP**

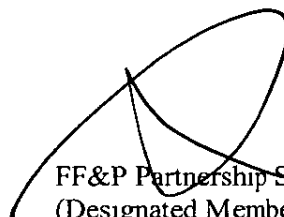
**BALANCE SHEET AS AT 31 MARCH 2008**

	<i>Note</i>	<i>2008</i> <i>£</i>
<b>Fixed assets</b>		
Investments	6	8,705,148
		<u>8,705,148</u>
<b>Current assets</b>		
Debtors	7	50,993
Cash		<u>9,771,608</u>
		9,822,601
<b>Creditors</b>		
Amounts falling due within one year	8	(10,667)
		<u>(10,667)</u>
<b>Net current assets</b>		<u>9,811,935</u>
<b>Total assets less current liabilities</b>		<u>18,517,083</u>
<b>Members' interests:</b>		
Members' capital	9	21,008,735
Profit to date	9	(2,491,653)
Revaluation reserve	9	-
Drawings paid	9	-
Drawings payable	9	-
		<u>18,517,083</u>
<b>Members' interests as shown above</b>		
Members' interests	9	18,517,083
Amounts due to Members	9	-
<b>Total Members' interests at 31 March 2008</b>		<u>18,517,083</u>

The financial statements were approved and authorised for issue on *5 November* 2008 and signed on behalf of FCM Seed LLP by



Dover Street Partnership Services Limited  
(Designated Member)



FF&P Partnership Services Limited  
(Designated Member)

**FCM Seed LLP**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. ACCOUNTING POLICIES**

***Accounting convention***

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards, and the SORP 'Accounting by Limited Liability Partnerships'

***Basis of preparation***

The financial statements have been prepared on the going concern basis, which assumes that the LLP will continue in operational existence for the foreseeable future, on the basis that the members have indicated their willingness to provide the necessary financial support to the LLP to ensure that it is able to meet its debts as they fall due for a period of not less than 12 months from the date upon which these financial statements are signed

***Fixed asset investments***

Fixed asset investments which comprise shares, are stated at cost or fair value in accordance with the "Guidance for the valuation and disclosure of venture capital portfolios" published by the British Venture Capital Association

These investments are in immature companies, including seed, start up and early stage investments. In which case investments are valued at cost less any provision considered necessary. When they are no longer viewed as early stage investment, they are valued at fair value or unless a significant transaction involving an independent third party at arm's length values the investment at a materially different value.

***Foreign currency transactions***

Foreign currency transactions are valued in sterling on the day of occurrence using the relevant exchange rate on that day. Fixed asset investments held in currencies other than sterling are valued using the exchange rate / weighted average exchange rate on the day / days of purchase of the asset. Monetary assets and liabilities held in currencies other than sterling are valued using the exchange rate on the date of the balance sheet unless it is a current liability denominated in foreign currency, in which case, the exchange rate on the date of transaction is used to value the liability at balance sheet date. Any exchange differences are taken to the profit and loss account.

***Cash flow statement***

The LLP has taken advantage of the exemption to it under FRS 1 'Cash Flow Statements' not to produce a cash flow statement on the grounds that it is the equivalent of a small company as defined under the terms of the Companies Act 1985 as modified by the Limited Liability Partnership Regulation 2001.

***Related party transactions***

FRS 8 'Related party transactions' requires disclosure of the details of material transactions between the LLP and related parties.



**FCM Seed LLP**

**2. ADMINISTRATIVE EXPENSES**

	<b>2008</b>
	<b>£</b>
Audit fees	(8,255)
Bank fees	(240)
<b>Total</b>	<u><b>(8,495)</b></u>

**3. PROFIT/(LOSS) ON SALE OF INVESTMENTS**

	<b>2008</b>
	<b>£</b>
Sales Proceeds	39,238,978
Less Attributable Cost	<u>(41,216,711)</u>
<b>Loss on sale</b>	<u><b>(1,977,733)</b></u>

**4. EMPLOYEES**

There were no employees during the year

**5. MEMBERS**

The average number of members in the year was 26 No remuneration is paid to members

**6. FIXED ASSET INVESTMENTS**

	<b>2008</b>
	<b>£</b>
<b>Cost</b>	
At start of year	-
Investments acquired during the year	50,455,906
Less Attributable cost on disposal of investment	<u>41,216,711</u>
<b>Fixed asset investment as at 31 March 2008</b>	<b>9,239,195</b>
Revaluation in the period	-
Provision for diminution in value during year	<u>(534,047)</u>
<b>Net book value</b>	<u><b>8,705,148</b></u>

The historic cost of the investments held as at 31 March 2008 was £9,239,195 (2006 £Nil)

**FCM Seed LLP**

**7. DEBTORS**

	<b>2008</b>
	<b>£</b>
Debtors	50,993
<b>Total</b>	<u>50,993</u>

**8. CREDITORS**

	<b>2008</b>
	<b>£</b>
Creditors	(8,225)
Amounts due to related parties (see note 10)	(2,442)
Drawings payable	-
<b>Total</b>	<u>(10,667)</u>

**9. MEMBERS' INTERESTS**

	<b>Members' capital</b>	<b>Share of Profits/(Losses) less returns to members</b>	<b>Revaluation Reserve</b>	<b>Total</b>	<b>Loans and other debts due to/(from) members</b>	<b>Total members' interests</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Members' interests at 19 October 2006	-	-	-	-	-	-
Capital Paid Up	21,008,736	-	-	21,008,736	-	21,008,736
Loss for the year	-	(2,491,653)	-	(2,491,653)	-	(2,491,653)
Revaluation in the year	-	-	-	-	-	-
Drawings paid	-	-	-	-	-	-
Members' interests after profit of the year	21,008,736	(2,491,653)	-	18,517,083	-	18,517,083
Drawings payable	-	-	-	-	-	-
Members' interests at 31 March 2008	21,008,736	(2,491,653)	-	18,517,083	-	18,517,083

All members' interests represent liabilities to members. The LLP does not have any members' equity.

Any loans and other amounts due to members will rank pari passu with unsecured creditors.

**FCM Seed LLP**

**10. RELATED PARTY TRANSACTIONS**

**i) FCM Limited Shares**

Some of the investors in FCM Seed LLP are the same as shareholders in FCM Limited. As part of an agreement between FCM Limited and its shareholders, those who invested in FCM Seed LLP were also entitled to purchase a number of shares in FCM Limited pro rata to the proportion of their holding in FCM Seed LLP. The investors paid the cash for these shares into the FCM Seed LLP bank account, and so, at the year end £2,442 was due to FCM Limited for the purchase of these shares.

**11. CONTROLLING PARTY**

There is no single, ultimate controlling party.