

FCM Seed LLP

FCM Seed LLP

Report and Financial Statements

For the period ended 31 December 2010

*Registered No OC323340
Registered in England and Wales*



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 December 2010

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

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

Statement of Members' Responsibilities

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

Company law (as applied to limited liability partnerships by regulation 3 of the Limited Liability Partnerships Regulations 2001) 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 and loss of the LLP for that year. In preparing those financial statements, the members are required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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 2006 (as applied to limited liability partnerships). 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.

FCM Seed LLP

Change of accounting reference date

The accounting reference date of the LLP changed from 31st March to 31st December during the year. These accounts therefore reflect a 9 month period.

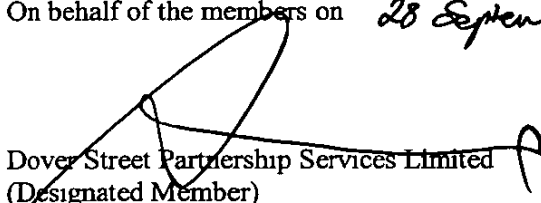
Statement of disclosure to auditor

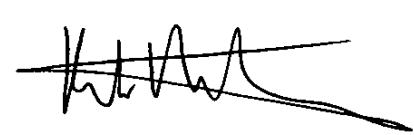
- (a) so far as the members are aware, there is no relevant audit information of which the LLP's auditors are unaware, and
- (b) the members have taken all necessary steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that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

Auditors

- (c) Kingston Smith LLP are deemed to be re-appointed in accordance with an elective resolution made under the Companies Act 2006 (applied to limited liability partnerships)

On behalf of the members on 28 September 2011


Dover Street Partnership Services Limited
(Designated Member)


FF&P Partnership Services Limited
(Designated Member)

FCM Seed LLP

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 December 2010 which comprises the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and 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, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 (as applied to limited liability partnerships (Account and Audit) (Application of Companies Act 2006) Regulations 2008). Our audit work has been undertaken so that we might state to the Limited Liability Partnership's members those matters which we are required to include 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 any party other than the Limited Liability Partnership and Limited Liability Partnership's members as a body, for our 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 set out on page 3 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 (APB'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 limited liability partnership'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.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Limited Liability Partnership's affairs as at 31 December 2010 and of its profit for the period 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

FCM Seed 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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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

Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditors

Date: *30 September 2011*

Devonshire House
60 Goswell Road
London
EC1M 7AD

FCM Seed LLP

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2010

	<i>Note</i>	<i>9 Months to 31/12/2010</i>	<i>12 Months to 31/03/2010</i>
		<i>£</i>	<i>£</i>
Administrative expenses	2	(9,279)	(8,626)
Operating Loss		(9,279)	(8,626)
Attributable profit on sale of investments	3	2,597,237	805,612
Reversal of previous provision	6	-	238,555
Provision for diminution in value of investments	6	(856)	(118,987)
Interest receivable and similar income		39,546	215,424
Gain / (Loss) on exchange differences		(40,913)	(21,475)
Interest payable		-	-
Profit for the period before members' remuneration and profit shares		2,585,735	1,110,503
Members' remuneration charged as an expense	9	(2,585,735)	(1,110,503)
Result of the period available for discretionary division among members		-	-

The results above relate to continuing operations

Statement of Total Recognised Gains & Losses

	<i>Note</i>	<i>9 Months to 31/12/2010</i>	<i>12 Months to 31/03/2010</i>
		<i>£</i>	<i>£</i>
Profit for the period		2,585,735	1,110,503
Unrealised (loss)/gain on revaluation of investments	6	(1,691,829)	1,082,027
Total gains recognised since last annual report		893,906	2,192,530

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

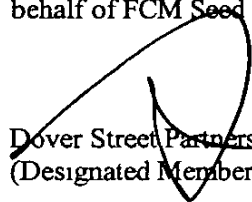
REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2010

FCM Seed LLP

BALANCE SHEET AS AT 31 DECEMBER 2010

	<i>Note</i>	<i>31st December 2010 £</i>	<i>31st March 2010 £</i>
Fixed assets			
Investments	6	10,614,935	11,232,044
		<u>10,614,935</u>	<u>11,232,044</u>
Current assets			
Debtors	7	1,543,947	-
Cash		1,254,185	1,277,917
		<u>2,798,132</u>	<u>1,277,917</u>
Creditors			
Amounts falling due within one year	8	(2,616,057)	(1,045,649)
Net current assets		<u>177,275</u>	<u>232,268</u>
Total assets less current liabilities		<u>10,797,010</u>	<u>11,464,312</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS REPRESENTED BY:			
Loans and other debts due to members due within one year			
Members' capital classified as a liability	9	10,150,281	10,150,281
Other amounts	9	458,869	(565,658)
		<u>10,609,150</u>	<u>9,584,623</u>
Equity			
Members' other interests	9	187,860	1,879,689
		<u>187,860</u>	<u>1,879,689</u>
		<u>10,797,010</u>	<u>11,464,312</u>
TOTAL MEMBERS INTERESTS			
Loans and other debts due to members within one year	9	10,609,150	9,584,623
Members' other interests	9	187,860	1,879,689
Drawings payable	9	2,598,857	1,037,649
Total Members' Interests		<u>13,395,867</u>	<u>12,501,961</u>

The financial statements were approved and authorised for issue on 28 September 2011 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 relevant rate of exchange on the balance sheet date. 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 2006 (as applied to limited liability partnerships)

Related party transactions

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

Change of Accounting Reference Date

The accounting reference date of the LLP changed from 31st March to 31st December during the year. These accounts therefore reflect a 9 month period

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2. ADMINISTRATIVE EXPENSES

	<i>9 months to 31/12/2010</i>	<i>12 months to 31/032010</i>
	£	£
Audit fees	(6,479)	(6,979)
Bank fees	-	(647)
Custody fees	-	(1,000)
Other Admin Expenses	(2,800)	-
Total	(9,279)	(8,626)

3. PROFIT/(LOSS) ON SALE OF INVESTMENTS

	<i>9 months to 31/12/2010</i>	<i>12 months to 31/032010</i>
	£	£
Sales Proceeds	12,103,243	14,386,816
Less Attributable Cost	(9,506,006)	(13,581,204)
Profit on sale	2,597,237	805,612

The carrying value of the assets disposed of during the period (at the point of sale) was £9,118,917 (2010 £13,912,256)

4. EMPLOYEES

There were no employees during the year

5. MEMBERS

The average number of members in the year was 26 The share of profits that will be allocated after year end to the member with the largest entitlement to profit is £1,580,523 (2010 £678,792)

On 31 12.10 a restructuring took place and nine members retired from the partnership (see notes 8 and 10 for more details).

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6. LISTED FIXED ASSET INVESTMENTS

	31/12/2010	31/032010
Cost	£	£
At start of period	11,232,044	23,397,024
Investments acquired during the period	10,581,582	214,629
Less. Attributable cost on disposal of investment	(9,506,006)	(13,581,204)
Fixed asset investment as at 31 December 2010	12,307,620	10,030,449
Revaluation in the period	187,860	1,532,066
Revaluation Reversal	(1,879,689)	(450,039)
Provision for diminution in value during period	(856)	(118,987)
Reversal of previous provision	-	238,555
Net book value	10,614,935	11,232,044

The historic cost of the investments held as at 31 December 2010 was £10,457,096 (31/03/2010 £9,166,891).

7. DEBTORS

	31/12/2010	31/032010
	£	£
Amounts due from related parties	1,395,494	-
Debtors	148,453	-
Total	1,543,947	-

8. CREDITORS

	31/12/2010	31/032010
	£	£
Amounts payable to related parties	(12,400)	(8,000)
Creditors	(4,800)	(8,000)
Drawings payable (see footnote below and note 10)	(2,598,857)	(1,037,649)
Total	(2,616,057)	(1,045,649)

On 31 December a restructuring of the LLP took place and nine members retired from the partnership. Included in the drawings payable figure as 31 12 10 is an amount of £1 35m due to the retiring members

FCM Seed LLP

9. MEMBERS' INTERESTS

	Members Other Interests	Loans and other debts due to/(from) members				TOTAL
		Revaluation Reserve	Members Capital (classified as a liability)	Share of Profits/(Losses) less returns to members	Total	
	£	£	£	£	£	£
Members' interests at 1 April 2010	1,879,689	10,150,281	(565,658)	9,584,626	1,037,649	12,501,961
Members remuneration charged as an expense	-	-	2,585,735	2,585,735	-	2,585,735
Revaluation in the period	187,860	-	-	187,860	-	187,860
Release of revaluation on sale	(1,879,689)	-	-	-	-	(1,879,689)
Drawings paid	-	-	-	-	-	-
Drawings payable	-	-	(1,561,208)	(1,561,208)	1,561,208	-
Members' interests after profit for the period	187,860	10,150,281	458,869	10,797,010	2,598,857	13,395,867

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.

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10. POST BALANCE SHEET EVENTS

- a) On 7 January 2011 an amount of £1 037m was paid out as a distribution to members. This balance was shown in drawings payable as at 31 12.2010 and also shown in the 31 03 2010 balance.
- b) On 12 January 2011 an amount of £1.35m was paid out to retiring members (see also note 8).
- c) On 12 January 2011 an amount of £150,000 was paid out as a partial redemption of a partners' holding.
- d) On 31 March 2011 an amount of £151,000 was paid out as a partial redemption of a partners' holding.
- e) On 30 June 2011 a total of £3.9m was redeemed out of the LLP.

11. CONTROLLING PARTY

There is no single, ultimate controlling party.