

Thames River Multi-Capital LLP
Members' Report and Financial Statements

For the Year ended 31 March 2010

Registered Number OC328350

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Contents

Members' Report	3
Statement of Designated Members' Responsibilities	4
Independent Auditors' Report to the Members	5 - 6
Profit and Loss Account	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Financial Statements	10 – 14

Members' Report

The members (the "Members") of Thames River Multi-Capital LLP (the "LLP") present their report and the audited financial statements for the year ended 31 March 2010

Principal Activity

The principal activity of the LLP is investment management. The LLP also acts as the Authorised Corporate Director to Thames River Multi-Capital ICVC. The LLP is authorised and regulated by the Financial Services Authority (FSA).

Business Review

The results available for distribution to Members for the period ended 31 March 2010 are set out in the profit and loss account on page 7. The LLP has weathered the storm of the credit crunch and subsequent global recession remarkably well. The LLP's funds have achieved first or second quartile performance amongst their peer group and flows into the funds managed by the LLP have improved consistently throughout the year. Funds under management were £466.1 million as at the end of the year (2009: £76.2 million).

On 28 April 2010, F&C Asset Management plc ("F&C") announced its proposed acquisition of the Thames River Capital group. Under the terms of the proposed acquisition F&C will acquire 100% of the issued share capital Thames River Capital (UK) Limited, the corporate member of Thames River Multi-Capital LLP and in so doing, Thames River Capital (UK) Limited's economic interest in the profits of the LLP. Completion of the transaction is expected to take place in the third quarter of 2010.

Designated Members

The following were Designated Members during the period under review:

Robert Burdett
Jeremy Charles
Loudon Greenlees
Toby Hampden-Acton
Charles Porter
Gary Potter
Michael Warren

Members' Drawings and Capital

The profits and losses of the LLP in respect of each calendar quarter are allocated in accordance with the LLP agreement and any distributions are only made after taking into account the LLP's working capital and regulatory capital requirements. Each Member has contributed capital in accordance with the LLP Deed. Capital is repayable to Members in accordance with the LLP Deed. The repayment of capital is subject to the LLP maintaining adequate financial resources for FSA purposes.

On behalf of the Members



J D Charles
Designated Member

51 Berkeley Square, London, W1J 5BB

Statement of Designated Members' Responsibilities

Legislation applicable to limited liability partnerships requires the Designated 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 Designated 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

Independent Auditors' Report to the Members of Thames River Multi-Capital LLP

We have audited the financial statements of Thames River Multi-Capital LLP for the year ended 31 March 2010 which are set out on pages 7 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Section 495 of the Companies Act 2006 as required 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 Limited Liability Partnership's members those matters we are required to state to them 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 anyone other than the Limited Liability Partnership and the Limited Liability Partnership'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) are set out in the Statement of Designated 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 give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Members' report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the Limited Liability Partnership 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 other transactions is not disclosed.

We read the Members' Report, and consider whether it is consistent with the audited financial statements. 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 judgments made by the members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Limited Liability Partnership'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.

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 Limited Liability Partnership's affairs as at 31 March 2010 and of its result for the year then ended, and
- the financial statements have been properly prepared in accordance with the Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008


Lorraine Bay, Senior Statutory Auditor

For and on behalf of Moore Stephens LLP, Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB

21 July 2010

Profit and Loss Account
For the year ended 31 March 2010

	<i>Note</i>	Year ended 31 March 2010 £000's	Year ended 31 March 2009 £000's
Turnover	2	4,130	887
Cost of sales		(2,036)	(425)
Gross Profit		2,094	462
Administrative expenses		(1,114)	(1,090)
Operating profit/(loss)	3	980	(628)
Interest receivable	4	8	61
Profit/(loss) for the financial period before Members' remuneration and profit shares		988	(567)
Members' profit shares charged as an expense	10	(207)	(154)
Profit/(loss) for the financial period available for distribution among Members		781	(721)
Retained loss brought forward		(2,525)	(1,804)
Retained loss carried forward		(1,744)	(2,525)

There were no recognised gains or losses in the period under review other than as shown in the profit and loss account

All amounts are derived from continuing activities

The notes on pages 10 to 14 form part of these financial statements

Balance Sheet
At 31 March 2010
Registered no OC358320

		31 March 2010		31 March 2009	
	Note	£000's	£000's	£000's	£000's
Current Assets					
Investments	7	29		6	
Debtors	8	8,076		3,570	
Cash at bank and in hand		2,260		1,692	
		10,365		5,268	
Creditors					
Amounts falling due within one year	9	(8,773)		(4,710)	
Net Current Assets			1,592		558
Total Assets less Current Liabilities			1,592		558
Represented by					
Amounts due to Members - within one year					
Members' Capital classified as a liability under FRS 25	10	23		23	
Other amounts	10	53		-	
		76		23	
Equity					
Members' Capital classified as equity under FRS 25	10	3,260		3,060	
Other reserves	10	(1,744)		(2,525)	
		1,516		535	
Total Members' Interests			1,592		558

The notes on pages 10 to 14 form part of these financial statements

These financial statements were approved by the Members on 20 July 2010 and were signed on their behalf by



J D Charles
Designated Member



L I Greenlees
Designated Member

Cash Flow Statement
For the year ended 31 March 2010

	<i>Note</i>	Year ended 31 March 2010 £000's	Year ended 31 March 2009 £000's
Net cash inflow/(outflow) from operating activities	11	514	(575)
Return on investment and servicing of finance.			
Interest income		8	61
Cash inflow/(outflow) before transactions with Members		522	(514)
Transactions with Members			
Capital contributions received		200	250
Distributions paid to Members		(154)	(154)
		46	96
Increase/(decrease) in cash in the period	12	568	(418)

The notes on pages 10 to 14 form part of these financial statements

Notes to the Financial Statements

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the LLP's financial statements

Basis of preparation

The LLP's financial statements have been prepared in accordance with applicable accounting standards, and in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in March 2006

Cash flow statement

The cash flow statement has been prepared in accordance with Financial Reporting Standard 1 (Revised)

Taxation

No provision has been made for taxation in the accounts. Each Member is exclusively liable for any tax liabilities arising on their interest in the LLP, which will be assessed on the individual Members and not on the LLP

Turnover

Turnover comprises net fees received in respect of sales of shares in Thames River Multi-Capital ICVC together with gross management fees earned on funds under management during the year ended 31 March 2010 and profits earned from box management in the year

Income and expenses

Income and expenses are shown on an accruals basis

Current asset investments

The LLP has created shares in Thames River Multi-Capital Funds ICVC that are shown at cost

2. Turnover

The gross value of sales of shares in sub-funds of the Thames River Multi-Capital Funds ICVC, as well as fees for investment management services earned were as follows

	Year ended 31 March 2010 £000's	Year ended 31 March 2009 £000's
Gross sales of ICVC shares	241,708	59,656
Less Cost of sales of ICVC shares	(241,464)	(59,579)
Management fees	3,594	780
Other income	292	30
	<u>4,130</u>	<u>887</u>

Notes to the Financial Statements (continued)

3. Operating Profit/(Loss)

	Year ended 31 March 2010 £000's	Year ended 31 March 2009 £000's
<i>Operating loss is stated after charging:</i>		
Auditors' remuneration		
Audit	12	9
Taxation services	2	4
Gain on foreign exchange	-	30

4. Interest Receivable

	Year ended 31 March 2010 £000's	Year ended 31 March 2009 £000's
Bank interest receivable	8	61

5. Remuneration of Members

All profits and losses are divided amongst the Members in accordance with the LLP Deed. The average number of Members during the year was 8 (2009: 8). The share of profits that was attributable to the Member with the largest entitlement to profit for the period was £77,000.

6. Staff numbers and costs

The average number of people employed by the LLP, excluding Members, in the year was 3 (2009: 3), all of whom were investment professionals.

The total cost of employing all staff excluding Members was

	Year ended 31 March 2010 £000's	Year ended 31 March 2009 £000's
Salaries and wages	179	156
Social security costs	22	18
Other staff costs	8	6
Incentive compensation	107	113
	316	293

Notes to the Financial Statements (continued)

7. Current Asset Investments

	31 March 2010 £000's	31 March 2009 £000's
Manager's holding in Thames River Multi-Capital ICVC	29	6
	29	6

8. Debtors

	31 March 2010 £000's	31 March 2009 £000's
Trade debtors	8,048	3,188
Amounts owed by group undertakings	-	46
Other debtors	8	333
Prepayments	20	3
	8,076	3,570

9. Creditors

Amounts falling due within one year

	31 March 2010 £000's	31 March 2009 £000's
Trade creditors	7,859	3,849
Accruals & other creditors	138	57
Amounts owing to group undertakings	776	656
Amounts owing to related undertakings	-	148
	8,773	4,710

Notes to the Financial Statements (continued)

10. Members' Interests

Members' capital is classified as equity where the LLP has an unconditional right to refuse repayment of capital. Amounts due to Members would rank equally with other unsecured creditors in the event of a winding up of the LLP.

	Members' Capital (classified as equity) £000's	Members' Capital (classified as liabilities) £000's	Other reserves £000's	Total £000's	Amounts due to Members £000's	Total £000's
Members' interests at 1 April 2009	3,060	23	(2,525)	558	-	558
Introduced by Members	200	-	-	200	-	200
Transfers by Members	-	-	-	-	-	-
Members' profit shares charged as an expense	-	-	-	-	207	207
Profit for the financial period available for distribution amongst Members	-	-	781	781	-	781
Drawings	-	-	-	-	(154)	(154)
Members' interests at 31 March 2010	3,260	23	(1,744)	1,539	53	1,592

11. Reconciliation of operating profit/(loss) to net cash flow from operating activities

	Year ended 31 March 2010 £000's	Year ended 31 March 2009 £000's
Operating profit/(loss)	980	(628)
(Increase)/decrease in current asset investments	(23)	1
Increase in debtors	(4,506)	(2,621)
Increase in creditors	4,063	2,673
Net cash inflow/(outflow) from operating activities	514	(575)

Notes to the Financial Statements (continued)

12. Reconciliation of net cash flow to movement in net funds

	Year ended 31 March 2010 £000's	Year ended 31 March 2009 £000's
Increase/(decrease) in cash during the period	<u>568</u>	<u>(418)</u>
Change in net funds	568	(418)
Net funds at beginning of year	<u>1,692</u>	<u>2,110</u>
Net funds at end of year	<u><u>2,260</u></u>	<u><u>1,692</u></u>

13. Commitments

There are no contracted capital commitments at the end of the period (2009 nil) for which no provision has been made

14. Related party transactions

Thames River Capital (UK) Limited's principal activities are that of acting as a Member of and providing services to the LLP and other LLPs. During the period ended 31 March 2010, Thames River Capital (UK) Limited has charged £0.7m (2009 £0.7m) to the LLP for the recovery of the cost of these services. At 31 March 2010, £554,500 was payable (2009 £654,678) to Thames River Capital (UK) Limited. At 31 March 2010, £55,968 was payable (2009 £56,044) to Thames River Capital LLP, a party related by common membership. At 31 March 2010, £165,968 was payable (2009 £93,281) to Thames River Capital Holdings Ltd, the parent company of Thames River Capital (UK) Limited.

Thames River Capital (UK) Limited has contributed £3.26m (2009 £3.06m) representing all of the Members' capital classed as equity.

15. Ultimate controlling party

The LLP is a subsidiary undertaking of Thames River Capital (UK) Limited which is in turn wholly owned by Thames River Capital Holdings Limited. The largest and smallest group in which the results of the LLP are consolidated is that headed by Law 17151 Limited (formerly Red River Capital Holdings Limited), a company incorporated in England and Wales. The consolidated financial statements of this group are available from its Secretary at its registered office at 124 Sloane Street, London, SW1X 9BW, England. In the opinion of the Designated Members, the ultimate controlling party of the LLP is Sir John Beckwith, director and majority shareholder of Law 17151 Limited.

16. Subsequent Events

On 28 April 2010, F&C Asset Management plc announced that it had reached a conditional agreement to acquire the Thames River Capital group including the LLP and Thames River Capital (UK) Limited. Completion of the transaction is expected to take place in the third quarter of 2010.