

**Report of the Members and
Financial Statements
for the Year Ended 31 December 2009
for
Archlight Capital UK LLP**

OC329378

TUESDAY



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COMPANIES HOUSE

Archlight Capital UK LLP
General Information
for the Year Ended 31 December 2009

DESIGNATED MEMBERS:	ACP UK I Limited ACP UK II Limited
REGISTERED OFFICE:	20 - 22 Bedford Row London WC1R 4JS
REGISTERED NUMBER:	OC329378 (England and Wales)
AUDITORS:	Fitzgerald and Law LLP Chartered Accountants and Statutory Auditors 8 Lincoln's Inn Fields London WC2A 3BP
BANKERS:	Citi Private Bank 41 Berkeley Square London W1J 5AN

Arclight Capital UK LLP (Registered number. OC329378)

**Report of the Members
for the Year Ended 31 December 2009**

The members present their report with the financial statements of the LLP for the year ended 31 December 2009

PRINCIPAL ACTIVITY

The principal activity of the LLP in the year under review was that of providing investment management services under a sub-advisory agreement for an investment manager

DESIGNATED MEMBERS

The designated members during the year under review were

ACP UK I Limited
ACP UK II Limited

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The profit for the year before members' remuneration and profit shares was £289,275 (2008 - £135,543)

MEMBERS' INTERESTS

The Limited Liability Partnership Deed dated 5 July 2007 establishes the basis for the members' drawings, subscriptions and repayments of members' capital. Contributions of capital to the LLP by the members are determined by the agreement of members. Any member may at any time withdraw any amount then standing to the credit of the member's capital account with prior consent of all the other members.

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,
- 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 modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LLP's auditors are unaware, and each member has taken all the steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

AUDITORS

The auditors, Fitzgerald and Law LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Archight Capital UK LLP (Registered number: OC329378)

**Report of the Members
for the Year Ended 31 December 2009**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 relating to small LLPs

ON BEHALF OF THE MEMBERS



ACP UK I Limited - Designated Member

Date *12 March 2010*

**Report of the Independent Auditors to the Members of
Arclight Capital UK LLP**

We have audited the financial statements of Arclight Capital UK LLP for the year ended 31 December 2009 on pages six to eleven. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 (as applied by 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 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 on page two.

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 applicable to Smaller Entities, have been 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. We also report to you whether in our opinion the information given in the Report of the Members is consistent with the financial statements.

In addition we report to you if, in our opinion, the LLP has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of members' remuneration specified by law are not made.

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 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 have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities,
- the financial statements have been 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
- the financial statements give a true and fair view of the state of the LLP's affairs as at 31 December 2009 and of its profit for the year then ended.

**Report of the Independent Auditors to the Members of
Archlight Capital UK LLP**

Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made within the financial statements concerning the basis of preparation of the accounts. In view of the significance of this matter, we consider it should be drawn to your attention. Our report is not qualified in this respect.

Louis Pattichu (Senior Statutory Auditor)
for and on behalf of Fitzgerald and Law LLP
Chartered Accountants
and Statutory Auditors
8 Lincoln's Inn Fields
London
WC2A 3BP

Date

19 March 2010

Arclight Capital UK LLP (Registered number: OC329378)

**Profit and Loss Account
for the Year Ended 31 December 2009**

	Notes	2009 £	2008 £
TURNOVER	2	2,191,600	1,421,862
Administrative expenses		<u>1,902,771</u>	<u>1,292,701</u>
		288,829	129,161
Other operating income		<u>75</u>	<u>100</u>
OPERATING PROFIT	3	288,904	129,261
Interest receivable and similar income		<u>371</u>	<u>6,282</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		<u>289,275</u>	<u>135,543</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		289,275	135,543
Members' remuneration charged as an expense	4	<u>(89,590)</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	10	<u>199,685</u>	<u>135,543</u>

The notes form part of these financial statements

Archlight Capital UK LLP (Registered number OC329378)

**Balance Sheet
31 December 2009**

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	5	12,883	16,564
CURRENT ASSETS			
Debtors	6	362,913	91,613
Cash at bank		<u>365,821</u>	<u>444,687</u>
		728,734	536,300
CREDITORS			
Amounts falling due within one year	7	<u>370,028</u>	<u>385,999</u>
NET CURRENT ASSETS		<u>358,706</u>	<u>150,301</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>371,589</u>	<u>166,865</u>
LOANS AND OTHER DEBTS DUE TO MEMBERS	9	369,589	164,865
MEMBERS' OTHER INTERESTS			
Capital accounts	10	<u>2,000</u>	<u>2,000</u>
		<u>371,589</u>	<u>166,865</u>
TOTAL MEMBERS' INTERESTS			
Loans and other debts due to members	9	369,589	164,865
Members' other interests	10	<u>2,000</u>	<u>2,000</u>
		<u>371,589</u>	<u>166,865</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 relating to small LLPs and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the members of the LLP on *12 March 2010* and were signed by



ACP UK I Limited - Designated member

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2009**

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on the going concern basis as the LLP's members' parent company has indicated its continuous financial support of the LLP. Should this support be withdrawn, then all the LLP's assets would have to be restated at their net realisable values and its liabilities would have to be treated as falling due on demand.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships.

Turnover and other income

Turnover represents the invoiced value for investment advisory services supplied. Interest income is recognised on an accrual basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Improvements to property	- Over the life of the lease term
Fixtures and fittings	- 20% on cost

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The LLP operates a defined contribution pension scheme. Contributions payable to the LLP's pension scheme are charged to the profit and loss account in the period to which they relate.

Taxation

No provision for taxation is made, as any liability arising is assessable directly on the members of the LLP.

Members' capital

Members' capital is classified as equity as members may withdraw capital only with the prior consent of all the other members.

2 TURNOVER

The turnover and profit for the financial year before members' remuneration and profit shares are attributable to the one principal activity of the LLP.

An analysis of turnover by geographical market is given below:

	2009	2008
USA	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>

Archlight Capital UK LLP (Registered number: OC329378)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2009**

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2009	2008
	£	£
Depreciation - owned assets	3,681	20,974
Auditors' remuneration	7,000	6,750
Foreign exchange differences	(22,567)	123,682
Pension costs	<u>49,560</u>	<u>16,195</u>

4 INFORMATION IN RELATION TO MEMBERS

	2009	2008
	£	£
Members' remuneration charged as an expense		
Distribution in the year	<u>89,590</u>	<u>-</u>

	2009
	£
The amount of profit for the year ended 31 December 2009 attributable to the member with the largest entitlement was	<u>144,638</u>

	2009	2008
The average number of members during the year was	<u>2</u>	<u>2</u>

In the event of a winding up of the Partnership, monies due to creditors will be paid before any distribution of loans and other debts due to members

5 TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Totals £
COST			
At 1 January 2009			
and 31 December 2009	<u>25,512</u>	<u>18,404</u>	<u>43,916</u>
DEPRECIATION			
At 1 January 2009	25,512	1,840	27,352
Charge for year	<u>-</u>	<u>3,681</u>	<u>3,681</u>
At 31 December 2009	<u>25,512</u>	<u>5,521</u>	<u>31,033</u>
NET BOOK VALUE			
At 31 December 2009	<u>-</u>	<u>12,883</u>	<u>12,883</u>
At 31 December 2008	<u>-</u>	<u>16,564</u>	<u>16,564</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2009**

6	DEBTORS. AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2009	2008
		£	£
	Amounts owed by group undertakings	290,489	-
	Other debtors	57,216	58,700
	VAT	13,475	22,738
	Prepayments	<u>1,733</u>	<u>10,175</u>
		<u>362,913</u>	<u>91,613</u>
7	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2009	2008
		£	£
	Amounts owed to group undertakings	116,962	269,777
	Social security and other taxes	194,957	94,945
	Other creditors	5,126	-
	Accrued expenses	<u>52,983</u>	<u>21,277</u>
		<u>370,028</u>	<u>385,999</u>
8	OPERATING LEASE COMMITMENTS		
	The following operating lease payments are committed to be paid within one year		
		2009	2008
		£	£
	Expiring		
	Within one year	<u>234,055</u>	<u>273,625</u>
9	LOANS AND OTHER DEBTS DUE TO MEMBERS		
		2009	2008
		£	£
	Amounts owed to members in respect of profits	<u>369,589</u>	<u>164,865</u>
	Falling due within one year	<u>369,589</u>	<u>164,865</u>

ArcLight Capital UK LLP (Registered number. OC329378)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2009**

10 MEMBERS' INTERESTS

	Members' other interests			Loans and other debts due to members	Total
	Members' capital (classified as equity) £	Reserves £	Total £	£	£
Balance at 1 January 2009	2,000	-	2,000	164,865	166,865
Members' remuneration charged as an expense				89,590	89,590
Profit for the financial year available for discretionary division among members		199,685	199,685		199,685
Members' interests after profit for the year	2,000	199,685	201,685	254,455	456,140
Other divisions of profit		(199,685)	(199,685)	199,685	
Introduced by members				5,039	5,039
Drawings				(89,590)	(89,590)
Balance at 31 December 2009	2,000	-	2,000	369,589	371,589

11 PENSION COMMITMENTS

Included within creditors at the balance sheet date, is an amount of £5,126 (2008 - £nil) due from the LLP in relation to a defined contribution pension scheme

12 ULTIMATE CONTROLLING PARTY AND ULTIMATE PARENT COMPANY

The members consider ArcLight Capital Holdings, LLC, a company registered in USA to be the ultimate controlling party and parent company by virtue of its interest in ArcLight Capital Partners, LLC, the members' parent company

13 RELATED PARTY DISCLOSURE

Included within debtors at the balance sheet date, is an amount of £290,489 (2008 £nil) due from ArcLight Capital Partners, LLC

Included within creditors at the balance sheet date, is an amount of £nil (2008 £182,194) payable to ArcLight Capital Partners, LLC

During the year commission income of £2,191,600 (2008 £1,421,862) was receivable from ArcLight Capital Partners, LLC

Included within creditors at the balance sheet date, is an amount of £116,962 (2008 £87,583) payable to ArcLight Capital Holdings, LLC in respect of an interest free loan and reimbursement of amounts paid on behalf of the LLP