

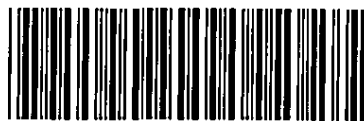
Company Registration No. SC211214

**ALLIANCE TRUST EQUITY PARTNERS
LIMITED**

Report and Accounts

Year ended 31 January 2011

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Alliance Trust Equity Partners Limited
Report and Accounts
Year ended 31 January 2011

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Alliance Trust Equity Partners Limited
Report and Accounts
Year ending 31 January 2011

Officers and Professional Advisers

Directors

Katherine Garrett-Cox

Raymond Abbott

Iain Christie (resigned 6th April 2011)

John Morrison (resigned 6th April 2011)

Alan Trotter (appointed 1st February 2010)

Richard Hope (appointed 1st August 2010)

Secretary

Donald McPherson

Registered Office

8 West Marketgait

Dundee

DD1 1QN

Bankers

Royal Bank of Scotland

Dundee Chief Office

3 High Street

Dundee

DD1 9LY

Solicitors

Dickson Minto WS

16 Charlotte Square

Edinburgh

EH2 4DF

Independent Auditors

KPMG Audit Plc

Chartered Accountants

Saltire Court

20 Castle Terrace

Edinburgh

EH1 2EG

Alliance Trust Equity Partners Limited

Report and Financial Statements

Year ending 31 January 2011

Directors' Report

The Directors present their report and the audited financial statements for the year to 31 January 2011.

Business review and activities

The Company is authorised by the FSA to carry out Venture Capital Business. The Company's registration number is 194663.

The Company's principal activity is that of private equity fund management, with a total of £10.6 million (2010: £12.1 million) of third party funds under management. These funds are focused on investments in the early stage technology & healthcare sectors. In addition the Company has provided its advice and expertise to Alliance Trust PLC in relation to its existing private equity portfolio and the development and expansion of that portfolio in future under new annual partnership structures. It advised Alliance Trust PLC on its private equity portfolio during the year, which was valued at £112.0 million as at 31 January 11 (2010: £80 million). The ATEP 2007 and 2010 annual partnership structures were created with six limited partnerships being managed by the Company across each vintage year.

The Company is the manager of various client funds as per the relevant investment management agreements. Six companies which act as General Partners to these client funds are wholly owned subsidiaries of Alliance Trust Equity Partners (Holdings) Limited ("ATEPH"). The Company is also a wholly owned subsidiary of ATEPH.

On 11 March 2011 the Board announced a change in strategy regarding private equity. No further commitments will be made. All existing commitments will be honoured but the management team will explore the options available regarding the possible sale of individual commitments or groups of commitments.

The results for the year are shown in the profit and loss account on page 6. The Directors do not recommend the payment of a dividend.

Going Concern

The Company's business activities, together with any factors likely to affect its future development and position, are set out above.

The Company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The Directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the group to continue as a going concern or its ability to continue with the current banking arrangements.

On the basis of their assessment of the company's financial position and that of the ultimate parent company, the Company's Directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Auditor

KPMG Audit PLC have indicated their intention to resign as auditors. A resolution to appoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting of Alliance Trust PLC, the ultimate parent company.

Directors' Report (continued)

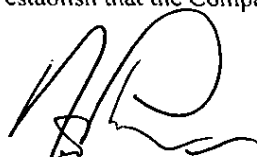
Directors

The Directors during the period and to date are listed on page 1.

Alliance Trust Equity Partners Limited
Report and Financial Statements
Year ending 31 January 2011

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

A handwritten signature in black ink, appearing to be 'DM', with a stylized flourish at the end.

By order of the Board
Donald McPherson
Company Secretary
Dundee
16th May 2011

Alliance Trust Equity Partners Limited
Report and Accounts
Year ending 31 January 2011

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Alliance Trust Equity Partners Limited
Report and Accounts
Year ending 31 January 2011

Report of the Independent Auditor

We have audited the financial statements of Alliance Trust Equity Partners Limited for the year ended 31 January 2011 which comprise the Profit and Loss Account, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company'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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2011 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.


Simon Pashby (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants

Saltire Court, Castle Terrace

Edinburgh

EH1 2EG

16 May 2011

Alliance Trust Equity Partners Limited
Report and Accounts
Year ending 31 January 2011

	Note	31 January 2011 £	31 January 2010 £
Turnover		1,532,196	1,531,418
Operating expenses		(1,504,467)	(1,506,000)
Gross profit		27,729	25,418
Administrative expenses		(8)	(13)
Operating profit	2	27,721	25,405
Interest receivable	3	11	496
Profit on ordinary activities before taxation		27,732	25,901
Tax on profit on ordinary activities	4	(13,040)	(16,580)
Profit on ordinary activities after taxation		14,692	9,321

All of the activities of the Company are classified as continuing.

The Company has no recognised gains or losses other than the results for the period as set out above.

The notes on pages 8 to 11 form part of the financial statements.

Alliance Trust Equity Partners Limited
Balance Sheet
As at 31 January 2011

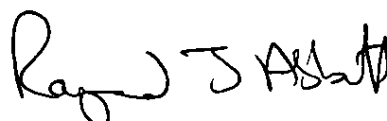
	Note	31 January 2011 £	31 January 2010 £
Current assets			
Debtors	5	320,125	131,112
Cash at bank		101,565	185,752
		<u>421,690</u>	<u>316,864</u>
Creditors: amounts falling due within one year	6	<u>(354,332)</u>	<u>(264,198)</u>
Net current assets		<u>67,358</u>	<u>52,666</u>
Net assets		<u>67,358</u>	<u>52,666</u>
Capital and reserves			
Called up share capital	7	10,000	10,000
Profit and loss account	8	57,358	42,666
Equity shareholders' funds		<u>67,358</u>	<u>52,666</u>

The notes on pages 8 to 11 form part of these accounts.

The financial statements on pages 6 to 11 were approved by the Board on 16th May 2011 and were signed on its behalf by:



Katherine Garrett-Cox, Director



Raymond Abbott, Director

Alliance Trust Equity Partners Limited

Notes to the Financial Statements

Year ended 31 January 2011

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable United Kingdom accounting standards and applicable law (Generally Accepted Accounting Practice).

Turnover

Turnover is the total amount receivable by the Company for services provided during the year excluding VAT.

Interest

Interest received is accounted for on an accruals basis as are other income and expenses.

Deferred taxation

Deferred tax is recognised at the standard rate of corporation tax, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed out by the balance sheet date. To the extent that timing differences will not be utilised, then deferred tax assets are not recognised.

Cash flow statement

The Company is exempt under the terms of 'FRS 1 Cash Flow Statements (Revised 1996)' from the requirement to publish its own cash flow statement, as its cash flows are included within the consolidated cash flow statement of the ultimate parent undertaking, Alliance Trust PLC.

2. OPERATING PROFIT

Audit fees of £4,450 (2010: £4,315) have been paid by the immediate parent company on behalf of the Company. The immediate parent company also paid £2,681 (2010: £2,600) on behalf of the Company for other services pursuant to legislation. Total fees paid to the auditor, KPMG Audit Plc, are disclosed in the report and accounts of the ultimate parent company, Alliance Trust PLC.

3. INTEREST RECEIVABLE

	31 January 2011 £	31 January 2010 £
Bank interest receivable	11	172
Other interest	-	324
	<hr/> 11 <hr/>	<hr/> 496 <hr/>

Alliance Trust Equity Partners Limited
Notes to the Financial Statements
Year ended 31 January 2011

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year:

	31 January 2011 £	31 January 2010 £
Current tax:		
Tax at the UK corporation tax rate of 28% (2010: 28%)	13,040	10,184
Adjustment in respect of prior periods	-	18
	<hr/>	<hr/>
Current tax for the period	13,040	10,202
Deferred tax		
Origination and reversal of timing differences	-	6,378
	<hr/>	<hr/>
Total tax for the period	13,040	16,580
	<hr/>	<hr/>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities is at the standard rate of corporation tax in the UK 28% (2010: 28%).

	31 January 2011 £	31 January 2010 £
Profit on ordinary activities before taxation	27,732	25,901
	<hr/>	<hr/>
Tax at the UK corporation tax rate of 28% (2010: 28%)	7,765	7,252
Prior year adjustment	-	18
Utilisation of tax losses	-	(6,378)
Transfer pricing adjustment	5,275	9,310
	<hr/>	<hr/>
Total current tax charge (note 4(a))	13,040	10,202
	<hr/>	<hr/>

Alliance Trust Equity Partners Limited
Notes to the Financial Statements
Year ended 31 January 2011

5. DEBTORS

	31 January 2011 £	31 January 2010 £
Trade debtors	15,093	18,481
Due from group companies	305,032	112,631
	<u>320,125</u>	<u>131,112</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 January 2011 £	31 January 2010 £
Amounts owed to group undertakings	253,090	149,695
Other taxation	1,608	3,024
Other creditors	99,634	111,479
	<u>354,332</u>	<u>264,198</u>

7. SHARE CAPITAL

	31 January 2011 £	31 January 2010 £
Authorised:		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid:		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Alliance Trust Equity Partners Limited
Notes to the Financial Statements
Year ended 31 January 2011

8. MOVEMENT IN EQUITY SHAREHOLDERS FUNDS

	Share Capital	Profit and Loss Account	Total
	£	£	£
At 31 January 2010	10,000	42,666	52,666
Profit for the period	-	14,692	14,692
At 31 January 2011	<u>10,000</u>	<u>57,358</u>	<u>67,358</u>

9. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Alliance Trust Equity Partners (Holdings) Limited, which is a wholly owned subsidiary of Alliance Trust PLC, the Company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group.

During the year Raymond Abbott and John Morrison, Directors of the Company were limited partners in The Albany 2001 Pledge Fund Special LP. Albany Ventures GP I Limited, a subsidiary of Alliance Trust Equity Partners (Holdings) Limited, is the General Partner to The Albany 2001 Pledge Fund Special LP.

During the year Raymond Abbott, Iain Christie, Richard Hope and John Morrison were also limited partners in Albany Ventures Fund III SP Limited Partnership. Raymond, Iain & John were also both limited partners in Albany Ventures Co-Invest Limited Partnership. Albany Venture Managers GP Limited, a subsidiary of Alliance Trust Equity Partners (Holdings) Limited, is the General Partner to Albany Ventures Fund III SP Limited Partnership and Albany Ventures Co-invest Limited Partnership of which Raymond and John were directors.

During the year Raymond Abbott, Iain Christie, Richard Hope and John Morrison were also limited partners in ATEP 2008 Co-invest LP; ATEP 2010 Co-invest LP; ATEP 2007(CIV) LP; ATEP 2009 Co-invest LP; ATEP 2008 (CIV) LP and ATEP 2009 (CIV) LP. ATEP 2008 GP Limited, ATEP 2009 GP Limited, ATEP 2007 GP Limited and ATEP 2010 GP Limited, all subsidiaries of Alliance Trust Equity Partners (Holdings) Limited, are the General Partners to the aforementioned limited partnerships. During the year Raymond, Iain, Richard and John were also directors of the General Partners.

10. ULTIMATE PARENT UNDERTAKING

The immediate parent company is Alliance Trust Equity Partners (Holdings) Limited and the ultimate parent company is Alliance Trust PLC, a company incorporated in Scotland, whose Report and Accounts may be obtained from its Registered Office at 8 West Marketgait, Dundee, DD1 1QN or online at www.alliancetrust.co.uk.