

**ISIS Equity  
Partners plc**  
(Registered number 01659209)

**Report & Financial  
Statements for the  
year ended  
31 December 2011**

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# **ISIS EQUITY PARTNERS PLC**

## ***DIRECTORS AND ADVISERS***

**REGISTERED NUMBER:**

01659209

**DIRECTORS:**

D Logan  
F&C Asset Management plc

**SECRETARY:**

F&C Asset Management plc  
80 George Street  
Edinburgh  
EH2 3BU

**REGISTERED OFFICE**

Exchange House  
Primrose Street  
London  
EC2A 2NY

**SOLICITORS**

Norton Rose LLP  
3 More London Riverside  
London  
SE1 2AQ

Shepherd and Wedderburn LLP  
1 Exchange Crescent  
Conference Square  
Edinburgh  
EH3 8UL

**AUDITOR**

KPMG Audit Plc  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EG

# **ISIS EQUITY PARTNERS PLC**

## **REPORT OF THE DIRECTORS**

The directors present their annual report and audited financial statements for the year ended 31 December 2011

### **PRINCIPAL ACTIVITY**

The principal activity of the company was the management of private equity funds. Following the transfer of the private equity business during 2005 the company no longer performs such an activity. The company continues to earn interest on an inter-group loan.

### **RESULTS AND BUSINESS REVIEW**

#### **Results and Dividend**

The financial statements show a profit after tax of £9,000 (2010: £2,000). The directors do not recommend the payment of a final dividend (2010: £nil) and no interim dividend was approved during the year (2010: £nil).

#### **Trading performance and future development of the business**

The directors expect the company to remain inactive for the foreseeable future.

#### **Risks**

The directors manage the risks as part of the overall risk management framework within the F&C Asset Management plc Group ('F&C Group'). Members of the F&C Group's executive management are responsible for identifying and evaluating key risks facing their areas of the business and procedures to control these risks, where possible, are reviewed and agreed. The key operational risks facing the company are:

##### *Financial risk*

The F&C Group adopts a low risk approach to treasury management and financial risks in relation to shareholder equity, seeking to manage and preserve its capital. The F&C Group's treasury function ensures sufficient cash is retained by the company in respect of short-term working capital requirements.

##### *Credit risk*

The majority of debtors at the balance sheet dates are in respect of a loan with another F&C Group undertaking. As the F&C Group's working capital is monitored on an F&C Group-wide basis, the risk of default is considered minimal.

The F&C Group's treasury policy limits the exposure to any one counterparty (in respect of cash and cash equivalents), recognising that each counterparty has been approved by the F&C Credit Committee.

##### *Liquidity risk*

The treasury policy set by the F&C Group only allows financial assets attributable to equity holders to be invested in low risk deposits or money market instruments where the risk of capital loss is low, with prior Board approval required for any exception to this principle.

The overall cash position is monitored by the F&C Group as a whole and each individual company within the Group draws on the available cash balance to meet its working capital requirements.

# **ISIS EQUITY PARTNERS PLC**

## ***REPORT OF THE DIRECTORS (continued)***

### **GOING CONCERN**

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern

On the basis of their assessment of the company's financial position the directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future

### **DIRECTORS AND THEIR INTERESTS**

The directors who served during the year were as follows

A L Grisay  
D Logan  
F&C Asset Management plc

A L Grisay retired as director on 9 May 2012

No individual director has any beneficial interest in the shares of the company

### **DIRECTORS' AND OFFICERS' LIABILITY**

The F&C Group maintains insurance cover in respect of directors' and officers' liability

### **AUDITOR**

A resolution to re-appoint KPMG Audit Plc as the company's auditor will be put to the forthcoming Annual General Meeting

### **ADEQUACY OF THE INFORMATION PROVIDED TO THE AUDITOR**

The directors who held office at the date of approving this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

BY ORDER OF THE BOARD



F&C Asset Management plc  
Secretary  
19 June 2012

# **ISIS EQUITY PARTNERS PLC**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

### **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 judgments 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.

# ISIS EQUITY PARTNERS PLC

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ISIS EQUITY PARTNERS PLC**

We have audited the financial statements of ISIS Equity Partners plc for the year ended 31 December 2011 set out on pages 6 to 11. 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](http://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 December 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.



**Phil Merchant (Senior Statutory Auditor)**  
**for and on behalf of KPMG Audit Plc, Statutory Auditor**  
*Chartered Accountants*  
Saltire Court  
Edinburgh  
19 June 2012

# ISIS EQUITY PARTNERS PLC

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £000	2010 £000
Administrative expenses		(2)	(5)
<b>OPERATING LOSS</b>	2	(2)	(5)
Interest receivable	4	12	9
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		10	4
Taxation on profit on ordinary activities	5	(1)	(2)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	9	9	2

The company has no recognised gains or losses in the current or preceding years other than those shown in the profit and loss account above

The notes on pages 8 to 11 form an integral part of these financial statements.


# ISIS EQUITY PARTNERS PLC

## BALANCE SHEET AS AT 31 DECEMBER 2011

(Registered number 01659209)

	Notes	31 December 2011 £000	31 December 2010 £000
<b>CURRENT ASSETS</b>			
Debtors	6	2,410	2,332
Cash at bank and in hand		6	76
		<u>2,416</u>	<u>2,408</u>
<b>CREDITORS: Amounts falling due within one year</b>	7	<u>(5)</u>	<u>(6)</u>
<b>NET CURRENT ASSETS</b>		<u>2,411</u>	<u>2,402</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8, 9	94	94
Capital redemption reserve	9	151	151
Profit and loss account	9	<u>2,166</u>	<u>2,157</u>
<b>TOTAL SHAREHOLDER'S FUNDS</b>	9	<u>2,411</u>	<u>2,402</u>

The financial statements were approved by the Board of Directors and authorised for issue on 19 June 2012. They were signed on its behalf by

  
D Logan  
Director

The notes on pages 8 to 11 form an integral part of these financial statements



# ISIS EQUITY PARTNERS PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

The principal accounting policies set out below have been applied consistently throughout the years ended 31 December 2011 and 31 December 2010

#### Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom

#### Interest receivable

Interest receivable comprises interest on an inter-company loan and is recognised in the profit and loss account on an accruals basis

#### Current tax

Current tax is the expected tax payable or receivable on the taxable profit or loss for the period, using tax rates enacted or substantially enacted at the balance sheet date and includes any adjustment to tax payable in respect of previous years

#### Related party disclosures

FRS 8, 'Related Party Disclosures' requires disclosure of the details of material transactions between the reporting entity and related parties. The company has taken advantage of the exemption in FRS 8 not to disclose transactions between F&C Group companies which eliminate on consolidation

#### Cash flow statement

The company has taken advantage of the exemptions of FRS 1 (revised) "Cash Flow Statements" and has elected not to prepare its own cash flow statement as it is included within the Consolidated Statement of Cash Flows in the group financial statements of F&C Asset Management plc

#### Reserves

The capital redemption reserve is used to maintain the capital of the company when shares are bought back and subsequently cancelled without court approval

### 2. OPERATING LOSS

	2011 £000	2010 £000
This is stated after charging		
Auditors' remuneration – audit of these financial statements	1	2

Amounts receivable by the company's auditor in respect of services to the company, other than the audit of the company's financial statements, have not been disclosed as the information is disclosed on a consolidated basis in the financial statements of the company's parent, F&C Asset Management plc

The company had no employees during the year ended 31 December 2011 (2010: nil)

# ISIS EQUITY PARTNERS PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. DIRECTORS' EMOLUMENTS

No director received any emoluments in respect of services to the company for the year ended 31 December 2011 (2010 nil)

The emoluments of A L Grisay and D Logan are disclosed in the financial statements of F&C Asset Management plc, the parent undertaking

### 4. INTEREST RECEIVABLE

	2011 £000	2010 £000
Interest on loan to fellow subsidiary undertaking	12	9

### 5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	2011 £000	2010 £000
<b>UK Corporation Tax</b>		
UK Corporation Tax on profits for the year	3	2
Adjustments in respect of previous periods	(2)	-
<b>Total current tax charge for the year</b>	<b>1</b>	<b>2</b>

#### Factors affecting the tax charge for the year

The tax assessed for the year is lower (2010 higher) than the standard rate of Corporation Tax in the UK of 26.5% (2010 28.0%)

The differences are explained below

Profit on ordinary activities before tax	10	4
Profit on ordinary activities multiplied by the tax rate of 26.5% (2010 28.0%)	3	1
Effects of		
Disallowed expenses	-	1
Adjustments in respect of previous periods	(2)	-
<b>Current tax charge for the year</b>	<b>1</b>	<b>2</b>

#### Factors affecting future tax charges

The Chancellor of the Exchequer's Emergency Budget on 22 June 2010 announced that the UK Corporation Tax rate will reduce from 28% to 24% over a period of 4 years from 2011. The first reduction in the UK Corporation Tax rate from 28% to 27% was substantively enacted on 20 July 2010 and was effective from 1 April 2011.

A further 1% reduction in the UK Corporation Tax rate was announced in the Chancellor's Budget of 23 March 2011. This was substantively enacted on 29 March 2011 and reduced the Corporation Tax rate to 26% with effect from 1 April 2011.

The Chancellor of the Exchequer announced a further Corporation Tax rate reduction in his budget of 21 March 2012. This became effective from 1 April 2012 and changes the Company's statutory effective tax rate to 24.5% for 2012. Furthermore this reduction will change the Company's tax rate to 22% by 2015.

# ISIS EQUITY PARTNERS PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 6. DEBTORS

	31 December 2011 £000	31 December 2010 £000
Amounts falling due within one year		
Loan to fellow subsidiary undertaking	2,407	2,329
Other debtors	3	3
	<u>2,410</u>	<u>2,332</u>

The loan is to F&C Treasury Limited. The loan is unsecured, repayable on demand and is subject to interest at the 3-month LIBOR minus 0.25% margin.

### 7. CREDITORS

	31 December 2011 £000	31 December 2010 £000
Amounts falling due within one year		
Group relief payable	3	3
Amounts due to ultimate parent undertaking	2	-
Accruals	-	3
	<u>5</u>	<u>6</u>

### 8. SHARE CAPITAL

	31 December 2011 £000	31 December 2010 £000
Allotted, called up and fully paid		
937,855 Ordinary Shares of 10p each	94	94

### 9. RECONCILIATION OF SHAREHOLDER'S FUNDS AND MOVEMENTS IN RESERVES

	Share capital £000	Capital redemption reserve £000	Profit and loss account £000	Total shareholder's funds £000
At 1 January 2010	94	151	2,155	2,400
Profit on ordinary activities after taxation	-	-	2	2
At 31 December 2010	94	151	2,157	2,402
Profit on ordinary activities after taxation	-	-	9	9
At 31 December 2011	94	151	2,166	2,411

# **ISIS EQUITY PARTNERS PLC**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **10. RELATED PARTY TRANSACTIONS**

The company has taken exemption from the requirement to disclose related party transactions with members of the F&C Asset Management plc group on the basis that it is a wholly owned subsidiary. There are no other related party transactions.

### **11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The company's immediate parent undertaking is ISIS Equity Partners Holdings Limited, which is registered in England and Wales.

The smallest group of which the company is a member, and for which group financial statements are prepared, is F&C Asset Management plc. Copies of the Annual Report and Financial Statements can be obtained from its registered office at 80 George Street, Edinburgh, EH2 3BU.

In the directors' opinion, the company's ultimate parent undertaking is considered to be F&C Asset Management plc.