REGISTRAR OF
COMPANIES

3311393

BEAUMONT CORNISH LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED

30 SEPTEMBER 2008

SATURDAY

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COMPANIES HOUSE

Tenon Limited
Accountants and Business Advisers
Lewis House
12 Smith Street
Rochdale
Lancashire
OL16 1TX

BEAUMONT CORNISH LIMITED

Annual report and financial statements for the year ended 30 September 2008

Contents

Page:

1	Report of the directors
3	Independent auditors' report
4	Profit and loss account
5	Balance sheet
6	Cash flow statement
7	Notes forming part of the financial statements

Directors

R D Cornish
Mrs R M Hill Abrahams
M D Cornish

Secretary and registered office

R D Uttley, Lewis House, 12 Smith Street, Rochdale, Lancashire, OL16 1TX

Company number

3311393

Auditors

Tenon Audit Limited, Lewis House, 12 Smith Street, Rochdale, Lancashire, OL16 1TX

Accountants

Tenon Limited, Lewis House, 12 Smith Street, Rochdale, Lancashire, OL16 1TX

Bankers

Bank of Scotland, 41/51 Grey Street, Newcastle Upon Tyne, NE1 6EE

The directors present their report together with the audited financial statements for the year ended 30 September 2008.

Results and dividends

The profit and loss account is set out on page 4 and shows the profit for the year.

An interim dividend of £149,138 (2007 - £59,655) has been paid on the ordinary shares in the year. The directors do not propose a final dividend.

Principal activities and business review

The company trades as a corporate finance adviser. The company is a sponsor registered with the UK Listing Authority, a Nominated Adviser approved by the London Stock Exchange and a Member of PLUS Markets.

Whilst the results for the year show a modest improvement on the previous year, trading in the second half of the year reflected the general lack of confidence associated with the poor market conditions.

The main activity remained that of advising fully listed, AIM traded and PLUS Markets companies.

The current year has started as well as could be expected and the prospects of trading after Christmas are looking more promising with a number of transactions on our books.

At the year-end, shareholders funds were £173,840 (2007 - £279,735), with current assets exceeding current liabilities by £147,162 (2007 - £231,022).

The more difficult IPO market continues to represent challenges; but there is work around and the challenge remains to spend our resources on work which is most likely to come to fruition.

Financial instruments risk management objectives and policies

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

Directors

The directors of the company during the year were:

R D Cornish
Mrs R M Hill Abrahams
M D Cornish

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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 year. In preparing those 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;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

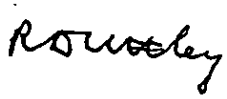
In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

Tenon Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

By order of the Board



R D Uttley
Secretary

9 January 2009

Independent Auditors' Report to the Shareholders of Beaumont Cornish Limited

We have audited the financial statements of Beaumont Cornish Limited for the year ended 30 September 2008 on pages 4 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors
As described in the statement of directors' responsibilities on page 2, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company 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 directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 affairs of the company as at 30 September 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Tenon Audit Limited

Tenon Audit Limited
Registered Auditors

9 January 2009

Lewis House
12 Smith Street
Rochdale
Lancashire
OL16 1TX

BEAUMONT CORNISH LIMITED

Profit and loss account for the year ended 30 September 2008

	Note	2008 £	2007 £
Turnover	2	**2,063,128**	1,849,530
Administrative expenses		**(2,059,646)**	(2,038,367)
Other operating income		**46,930**	317,982
Operating profit	5	**50,412**	129,145
Interest receivable		**11,882**	8,612
Profit on ordinary activities before taxation		**62,294**	137,757
Taxation	6	**(19,051)**	(30,569)
Profit for the year	13	**43,243**	107,188

All amounts relate to continuing activities.
All recognised gains and losses are included in the profit and loss account.

The notes on pages 7 to 13 form part of these financial statements.

BEAUMONT CORNISH LIMITED

Balance sheet at 30 September 2008

	Note	2008 £	2008 £	2007 £	2007 £
Fixed assets					
Tangible assets	7		**26,845**		49,575
Current assets					
Debtors	8	**382,608**		247,749	
Investments	9	**90,845**		199,724	
Cash at bank and in hand		**64,912**		406,285	
		538,365		853,758	
Creditors: amounts falling due within one year	10	**(391,203)**		(622,736)	
Net current assets			**147,162**		231,022
Total assets less current liabilities			**174,007**		280,597
Provisions for liabilities	11		**(167)**		(862)
Net assets			**173,840**		279,735
Capital and reserves					
Called up share capital	12		**99,425**		99,425
Share premium account	13		**575**		575
Capital redemption reserve	13		**50,000**		50,000
Profit and loss account	13		**23,840**		129,735
Shareholders' funds	14		**173,840**		279,735

The financial statements were approved by the Board and authorised for issue on 9 January 2009.

R D Cornish

Director

The notes on pages 7 to 13 form part of these financial statements.

BEAUMONT CORNISH LIMITED

Cash flow statement for the year ended 30 September 2008

	Note	2008 £	2008 £	2007 £	2007 £
Net cash outflow from operating activities	15		**(390,643)**		(77,338)
Returns on investments and servicing of finance					
Interest received			**11,882**		8,612
Taxation					
UK corporation tax			**(31,839)**		(7,468)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		**(12,444)**		(3,833)	
Sale of investments		**271,476**		489,215	
Purchase of investments		**(40,667)**	**218,365**	(77,533)	407,849
Equity dividends paid			**(149,138)**		(59,655)
(Decrease)/increase in cash	16		**(341,373)**		272,000

The notes on pages 7 to 13 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents income from corporate advisory services, net of VAT, which is recognised when earned to the extent that the company is entitled to the income at the balance sheet date.

Retainer fee income is credited to turnover rateably over the agreement period; amounts attributable to future accounting periods are included as deferred income in the balance sheet.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets on a straight-line basis. It is calculated at the following rates:

Leasehold improvements	-	20% per annum
Office equipment	-	30% per annum
Fixtures and fittings	-	20% per annum

Current asset investments

Current asset investments are stated at the lower of cost and net realisable value. Any provision for diminution in value is charged to the profit and loss account.

Shares for which there is no liquid market that have been received as consideration for services provided, are recorded at the cost incurred in providing the services where the cost is able to be measured reliably. Shares for which there is a liquid market that have been received as consideration for services provided are recorded at market value at the date of acquisition.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Employees

	2008 £	2007 £
Staff costs (including directors) consist of:		
Wages and salaries	**1,412,111**	1,413,259
Social security costs	**189,484**	176,516
	1,601,595	1,589,775

The average number of employees (including directors) during the year was as follows:

	2008 Number	2007 Number
Operations	**8**	8

4 Directors' remuneration

	2008 £	2007 £
Aggregate emoluments	**1,080,917**	1,149,016

The emoluments of the highest paid director were £582,426 (2007 - £802,184).

5 Operating profit

	2008 £	2007 £
This has been arrived at after charging:		
Depreciation	**15,430**	22,865
Auditors' remuneration for audit of the financial statements	**7,000**	6,500
Auditors' remuneration – non audit services	**3,500**	3,500
Operating lease rentals:		
- land and buildings	**44,138**	44,138
- other	**4,031**	8,061
(Profit) on sale of investments	**(139,476)**	(307,299)

6 Taxation

	2008 £	2007 £
Current tax		
Current tax on income for the year	**19,807**	31,900
Adjustment in respect of prior periods	**(61)**	3
Current tax charge for the year	**19,746**	31,903
Deferred tax credit	**(695)**	(1,334)
Tax on profit on ordinary activities	**19,051**	30,569

The current tax charge for the year is different to the standard rate of corporation tax in the UK. The differences are analysed as below:

	2008 £	2007 £
Profit for the year before taxation	**62,294**	137,757
Profit for the year before taxation at the standard rate of corporation tax in the year of 21% (2007 – 20%)	**13,082**	27,551
Effect of:		
Difference between depreciation and capital allowances	**785**	2,809
Items not allowed for taxation purposes	**6,420**	2,354
Adjustment in respect of prior periods	**(61)**	3
Lower tax rates	**(480)**	(814)
Current tax charge for the year	**19,746**	31,903

7 Tangible assets

	Leasehold improvements £	Office equipment £	Fixtures and fittings £	Total £
Cost				
At 1 October 2007	35,138	38,370	41,434	114,942
Additions	-	11,984	460	12,444
Disposals	(35,138)	-	-	(35,138)
At 30 September 2008	**-**	**50,354**	**41,894**	**92,248**
Depreciation				
At 1 October 2007	15,394	28,689	21,284	65,367
Provided for the year	-	8,346	7,084	15,430
Disposals	(15,394)	-	-	(15,394)
At 30 September 2008	**-**	**37,035**	**28,368**	**65,403**
Net book value				
At 30 September 2008	**-**	**13,319**	**13,526**	**26,845**
At 30 September 2007	19,744	9,681	20,150	49,575

8 Debtors

	2008 £	2007 £
Trade debtors	**248,347**	190,134
Director's loan	**84,501**	25,386
Prepayments and accrued income	**49,760**	32,229
	382,608	247,749

All amounts shown under debtors fall due for payment within one year.

9 Current asset investments

	2008 £	2007 £
Unlisted investments	**90,845**	199,724

At 30 September 2008, the company held warrants, acquired at £nil cost, enabling it to acquire shares in various public companies. The value of these warrants has not been included in the financial statements.

10 Creditors: amounts falling due within one year

	2008 £	2007 £
Taxation and social security	**107,474**	199,737
Corporation tax	**19,810**	31,903
Accruals	**25,419**	161,096
Deferred income	**238,500**	230,000
	391,203	622,736

11 Provisions for liabilities – deferred tax

	£
At 1 October 2007	862
Transfer to profit and loss account	(695)
At 30 September 2008	**167**

Deferred tax liability	2008 £	2007 £
Accelerated capital allowances	**167**	862

12 Share capital

	2008 £	2007 £
Authorised		
200,000 (2007 - 200,000) Ordinary shares of £1 each - equity	**200,000**	200,000
50,000 (2007 - 50,000) Redeemable preference shares of £1 each - non-equity	**50,000**	50,000
	250,000	250,000
Allotted, called up and fully paid		
99,425 (2007 - 99,425) Ordinary shares of £1 each - equity	**99,425**	99,425

13 Reserves

	Share premium account £	Capital redemption reserve £	Profit and loss account £
At 1 October 2007	575	50,000	129,735
Retained profit for the year	-	-	43,243
Dividends	-	-	(149,138)
At 30 September 2008	**575**	**50,000**	**23,840**

14 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit for the year	**43,243**	107,188
Dividends	**(149,138)**	(59,655)
Net increase in shareholders' funds	**(105,895)**	47,533
Opening shareholders' funds	**279,735**	232,202
Closing shareholders' funds	**173,840**	279,735

An interim dividend of £1.50 per ordinary share was paid on 30 September 2008.

15 Reconciliation of operating profit to net cash outflow from operating activities

	2008 £	2007 £
Operating profit	**50,412**	129,145
Depreciation	**15,430**	22,865
Amounts written off investments	**127,546**	(10,683)
Shares received in consideration for work done	**(140,000)**	(119,297)
Profit on sale of investments	**(139,476)**	(307,299)
(Increase)/decrease in debtors	**(134,859)**	17,274
Increase in creditors	**(219,440)**	175,657
Shares purchased in consideration for work done	**30,000**	15,000
Loss on disposal of tangible fixed assets	**19,744**	-
Net cash outflow from operating activities	**(390,643)**	(77,338)

16 Reconciliation of net cash flow to movement in net funds

	2008 £	2007 £
(Decrease)/increase in cash in the year	**(341,373)**	272,000
Change in net funds resulting from cash flows	**(341,373)**	272,000
Opening net funds	**406,285**	134,285
Closing net funds	**64,912**	406,285

17 Analysis of net funds

	At 1 October 2007 £	Cash flow £	At 30 September 2008 £
Cash at bank and in hand	406,285	(341,373)	**64,912**

18 Commitments under operating leases

As at 30 September 2008, the company had annual commitments under non-cancellable operating leases as set out below:

	2008		2007	
Operating leases which expire:	Land and buildings £	Other £	Land and buildings £	Other £
Within one year	-	-	-	4,031
In two to five years	-	**6,359**	44,138	-

Subsequent to the year end the company entered into a 5 year lease on new premises.

19 Controlling party and related party transactions

At 30 September 2008, the company's controlling party was R D Cornish, a director of the company. There was £73,639 (2007- £25,386) due from R D Cornish at 30 September 2008. The maximum amount outstanding during the year was £187,139 (2007 - £138,000).

At 30 September 2008, there was £10,863 (2007 £Nil) due from M D Cornish who has an interest in the company. The maximum amount outstanding during the year was £100,000 (2007 £15,000).

During the year, professional services amounting to £112,935 (2007 - £143,084) were provided to the company in the normal course of business from a firm of which Mrs R M Hill Abrahams, a director of the company, is the proprietor. There were no amounts outstanding at 30 September 2008 (2007 – Nil).