

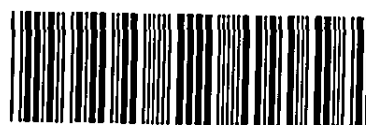
**BEAUMONT CORNISH LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2009**

**Company Registration Number 3311393**

**RSM Tenon Limited**

Cedar House  
Sandbrook Business Park  
Sandbrook Way  
Rochdale  
Lancashire  
OL11 1LQ

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# **BEAUMONT CORNISH LIMITED**

## **Annual report and financial statements for the year ended 30 September 2009**

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### **Directors**

R D Cornish  
Mrs R M Hill Abrahams  
M D Cornish

### **Secretary and registered office**

R D Uttley, Cedar House, Sandbrook Business Park, Sandbrook Way,  
Rochdale, Lancashire OL11 1LQ

### **Company number**

3311393

### **Auditors**

RSM Tenon Audit Limited, Cedar House, Sandbrook Business Park, Sandbrook Way,  
Rochdale, Lancashire OL11 1LQ

### **Accountants**

RSM Tenon Limited, Cedar House, Sandbrook Business Park, Sandbrook Way,  
Rochdale, Lancashire OL11 1LQ

### **Bankers**

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

## **BEAUMONT CORNISH LIMITED**

### **Report of the directors for the year ended 30 September 2009**

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The directors present their report together with the audited financial statements for the year ended 30 September 2009

#### **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 £372,844 (2008 - £149,138) has been paid on the ordinary shares in the year. The directors do not propose a final dividend (2008 - £Nil)

#### **Principal activities and business review**

The company trades as a corporate finance adviser and is a sponsor registered with the UK Listing Authority, a Nominated Adviser approved by the London Stock Exchange, a Member of PLUS Markets and a Member of the London Stock Exchange. The main activity remains that of advising Fully Listed, AIM traded and PLUS Markets companies

Whilst the Company was quite active during the year, a number of transactions were not concluded, reflecting the general lack of confidence associated with the continuing poor market conditions. The reduction in turnover compared to the previous year of almost 30 per cent was however largely offset by the receipt of a premium on surrender of the lease on the Company's previous premises

The first quarter of the current year has been promising and a number of transactions are currently being progressed for completion in the next few months

The IPO market continues to represent challenges despite some recent signs of increased interest. There is work around in the smaller company sector and the challenge remains to spend resources on work which is most likely to come to fruition

At the year end, shareholders funds were £179,532 (2008 - £173,840), with current assets exceeding current liabilities by £126,005 (2008 - £147,162)

#### **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

## BEAUMONT CORNISH LIMITED

### Report of the directors for the year ended 30 September 2009 (*continued*)

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#### Directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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, 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 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, individually, aware


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

#### Auditors

Our auditors have changed their name to RSM Tenon Audit Limited and have signed the audit report in their new name.

RSM Tenon Audit Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed by order of the board



R D Uttley  
**Secretary**

Approved by the board on 2 March 2010

## BEAUMONT CORNISH LIMITED

### Independent auditors' report to the shareholders of Beaumont Cornish Limited

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We have audited the financial statements of Beaumont Cornish Limited on pages 4 to 13 for the year ended 30 September 2009. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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'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 explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 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 Ethical Standards for Auditors.

#### **Scope of the audit**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

#### **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 30 September 2009 and of the profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters 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.

Alton Wickes, Senior Statutory Auditor  
For and on behalf of



RSM Tenon Audit Limited  
Statutory Auditor  
Cedar House  
Sandbrook Business Park  
Sandbrook Way  
Rochdale  
Lancashire  
OL11 1LQ

4 March 2010

**BEAUMONT CORNISH LIMITED****Profit and loss account for the year ended 30 September 2009**

	<b>Note</b>	<b>2009 £</b>	<b>2008 £</b>
<b>Turnover</b>	2	<b>1,484,437</b>	2,063,128
Administrative expenses		<b>(1,535,917)</b>	(2,059,646)
Other operating income		<b>554,356</b>	46,930
<b>Operating profit</b>	5	<b>502,876</b>	50,412
Interest receivable		<b>3,841</b>	11,882
<b>Profit on ordinary activities before taxation</b>		<b>506,717</b>	62,294
Taxation	6	<b>(128,181)</b>	(19,051)
<b>Profit for the year</b>	14	<b>378,536</b>	43,243

All amounts relate to continuing activities

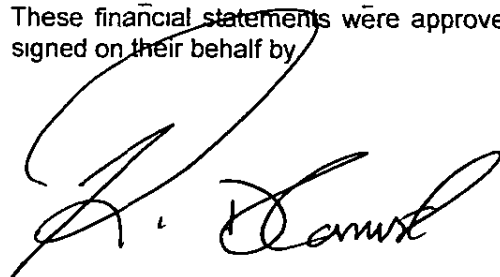
All recognised gains and losses are included in the profit and loss account

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

**Balance sheet at 30 September 2009**

	Note	2009	2008
		£	£
<b>Fixed assets</b>			
Tangible assets	8	59,847	26,845
<b>Current assets</b>			
Debtors	9	360,746	382,608
Investments	10	180,433	90,845
Cash at bank and in hand		43,562	64,912
		<u>584,741</u>	<u>538,365</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(458,736)</u>	<u>(391,203)</u>
<b>Net current assets</b>		<u>126,005</u>	<u>147,162</u>
<b>Total assets less current liabilities</b>		<u>185,852</u>	<u>174,007</u>
Provisions for liabilities	12	<u>(6,320)</u>	<u>(167)</u>
<b>Net assets</b>		<u><u>179,532</u></u>	<u><u>173,840</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	99,425	99,425
Share premium account	14	575	575
Capital redemption reserve	14	50,000	50,000
Profit and loss account	14	29,532	23,840
<b>Shareholders' funds</b>	15	<u><u>179,532</u></u>	<u><u>173,840</u></u>

These financial statements were approved by the directors and authorised for issue on 2 March 2010 and are signed on their behalf by



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 2009**

	<b>Note</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>16</b>	<b>432,005</b>	<b>(390,643)</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		<b>3,841</b>	<b>11,882</b>
<b>Taxation</b>			
UK corporation tax		<b>(20,195)</b>	<b>(31,839)</b>
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		<b>(59,157)</b>	<b>(12,444)</b>
Sale of investments		-	<b>271,476</b>
Purchase of investments		<b>(5,000)</b>	<b>(40,667)</b>
			<b>218,365</b>
<b>Equity dividends paid</b>		<b>(372,844)</b>	<b>(149,138)</b>
<b>(Decrease) in cash</b>	<b>17</b>	<b>(21,350)</b>	<b>(341,373)</b>

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



## BEAUMONT CORNISH LIMITED

### Notes forming part of the financial statements for the year ended 30 September 2009

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#### 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.

**BEAUMONT CORNISH LIMITED**

Notes forming part of the financial statements for the year ended 30 September 2009 *(Continued)*

<b>3 Employees</b>	<b>2009 £</b>	<b>2008 £</b>
Staff costs (including directors) consist of		
Wages and salaries	942,272	1,412,111
Social security costs	112,690	189,484
	<u>1,054,962</u>	<u>1,601,595</u>

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

	<b>2009 Number</b>	<b>2008 Number</b>
Operations	<u>8</u>	<u>8</u>

<b>4 Directors' remuneration</b>	<b>2009 £</b>	<b>2008 £</b>
Aggregate emoluments	<u>612,306</u>	<u>1,198,001</u>

The emoluments of the highest paid director were £310,097 (2008 - £582,426)

<b>5 Operating profit</b>	<b>2009 £</b>	<b>2008 £</b>
This has been arrived at after charging/(crediting)		
Depreciation	25,726	15,430
Auditors' remuneration for audit of the financial statements	7,350	7,000
Auditors' remuneration – non audit services	6,650	3,500
Operating lease rentals		
- land and buildings	70,832	44,138
- other	6,359	4,031
(Profit) on sale of investments	-	(139,476)
Premium on surrender of lease	<u>(469,768)</u>	<u>-</u>

**BEAUMONT CORNISH LIMITED**

Notes forming part of the financial statements for the year ended 30 September 2009 (*Continued*)

<b>6 Taxation</b>	<b>2009 £</b>	<b>2008 £</b>
<i>Current tax</i>		
Current tax on income for the year	<b>121,643</b>	19,807
Adjustment in respect of prior periods	<b>385</b>	(61)
	<hr/>	<hr/>
Current tax charge for the year	<b>122,028</b>	19,746
Deferred tax charge/(credit)	<b>6,153</b>	(695)
	<hr/>	<hr/>
<b>Tax on profit on ordinary activities</b>	<b><u>128,181</u></b>	<b><u>19,051</u></b>

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:

	<b>2009 £</b>	<b>2008 £</b>
<b>Profit for the year before taxation</b>	<b><u>506,717</u></b>	<b><u>62,294</u></b>
Profit for the year before taxation at the standard rate of corporation tax in the year of 28% (2008 – 21%)	<b>141,881</b>	13,082
Effect of		
Difference between depreciation and capital allowances	<b>(4,114)</b>	785
Items not allowed for taxation purposes	<b>1,426</b>	6,420
Adjustment in respect of prior periods	<b>385</b>	(61)
Lower tax rates	<b>-</b>	(480)
Marginal relief	<b>(17,550)</b>	-
	<hr/>	<hr/>
<b>Current tax charge for the year</b>	<b><u>122,028</u></b>	<b><u>19,746</u></b>

<b>7 Dividends</b>	<b>2009 £</b>	<b>2008 £</b>
Paid during the year		
Equity dividends on ordinary shares	<b><u>372,844</u></b>	<b><u>149,138</u></b>

**BEAUMONT CORNISH LIMITED**

Notes forming part of the financial statements for the year ended 30 September 2009 (*Continued*)

<b>8 Tangible assets</b>	<b>Leasehold improvements £</b>	<b>Office equipment £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<i>Cost</i>				
At 1 October 2008	-	50,354	41,894	92,248
Additions	22,982	9,741	26,434	59,157
Disposals	-	(23,991)	(4,377)	(28,368)
<b>At 30 September 2009</b>	<b>22,982</b>	<b>36,104</b>	<b>63,951</b>	<b>123,037</b>
<i>Depreciation</i>				
At 1 October 2008	-	37,035	28,368	65,403
Provided for the year	4,405	9,777	11,544	25,726
Disposals	-	(23,991)	(3,948)	(27,939)
<b>At 30 September 2009</b>	<b>4,405</b>	<b>22,821</b>	<b>35,964</b>	<b>63,190</b>
<i>Net book value</i>				
<b>At 30 September 2009</b>	<b>18,577</b>	<b>13,283</b>	<b>27,987</b>	<b>59,847</b>
At 30 September 2008	-	13,319	13,526	26,845

<b>9 Debtors</b>	<b>2009 £</b>	<b>2008 £</b>
Trade debtors	197,242	248,347
Director's loan	110,299	84,501
Prepayments and accrued income	53,205	49,760
	<b>360,746</b>	<b>382,608</b>

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

<b>10 Current asset investments</b>	<b>2009 £</b>	<b>2008 £</b>
Unlisted investments	180,433	90,845

At 30 September 2009, 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.

**BEAUMONT CORNISH LIMITED**

Notes forming part of the financial statements for the year ended 30 September 2009 (*Continued*)

11	Creditors: amounts falling due within one year	2009 £	2008 £	
	Trade creditors	-	-	
	Taxation and social security	91,705	107,474	
	Corporation tax	121,643	19,810	
	Accruals	49,663	25,419	
	Deferred income	195,725	238,500	
		<u>458,736</u>	<u>391,203</u>	
12	Provisions for liabilities – deferred tax		£	
	At 1 October 2008		167	
	Transfer to profit and loss account		6,153	
	At 30 September 2009		<u>6,320</u>	
	<i>Deferred tax liability</i>	2009 £	2008 £	
	Accelerated capital allowances	<u>6,320</u>	<u>167</u>	
13	Share capital	2009 £	2008 £	
	<b>Authorised</b>			
	200,000 (2008 - 200,000) Ordinary shares of £1 each - equity	200,000	200,000	
	50,000 (2008 - 50,000) Redeemable preference shares of £1 each - non-equity	50,000	50,000	
		<u>250,000</u>	<u>250,000</u>	
	<b>Allotted, called up and fully paid</b>			
	99,425 (2008 - 99,425) Ordinary shares of £1 each - equity	<u>99,425</u>	<u>99,425</u>	
14	Reserves	Share premium account £	Capital redemption reserve £	Profit and loss account £
	At 1 October 2008	575	50,000	23,840
	Retained profit for the year	-	-	378,536
	Dividends	-	-	(372,844)
	At 30 September 2009	<u>575</u>	<u>50,000</u>	<u>29,532</u>

# BEAUMONT CORNISH LIMITED

Notes forming part of the financial statements for the year ended 30 September 2009 (Continued)

15 Reconciliation of movements in shareholders' funds	2009 £	2008 £
Profit for the year	378,536	43,243
Dividends	(372,844)	(149,138)
Net increase in shareholders' funds	5,692	(105,895)
Opening shareholders' funds	173,840	279,735
Closing shareholders' funds	179,532	173,840

An interim dividend of £2.00 and £1.75 per ordinary share was paid on 9 March 2009 and 29 July 2009 respectively

16 Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2009 £	2008 £
Operating profit	502,876	50,412
Depreciation	25,726	15,430
Amounts written off investments	(84,588)	127,546
Shares received in consideration for work done	-	(140,000)
Profit on sale of investments	-	(139,476)
Decrease/(increase) in debtors	21,862	(134,859)
(Decrease)/increase in creditors	(34,300)	(219,440)
Shares purchased in consideration for work done	-	30,000
Loss on disposal of tangible fixed assets	429	19,744
Net cash inflow/(outflow) from operating activities	432,005	(390,643)

17 Reconciliation of net cash flow to movement in net funds	2009 £	2008 £
(Decrease)/increase in cash in the year	(21,350)	(341,373)
Change in net funds resulting from cash flows	(21,350)	(341,373)
Opening net funds	64,912	406,285
Closing net funds	43,562	64,912

18 Analysis of net funds	At 1 October 2008 £	Cash flow £	At 30 September 2009 £
Cash at bank and in hand	64,912	(21,350)	43,562

## BEAUMONT CORNISH LIMITED

Notes forming part of the financial statements for the year ended 30 September 2009 (Continued)

### 19 Commitments under operating leases

As at 30 September 2009, the company had annual commitments under non-cancellable operating leases as set out below

	2009		2008	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire				
Within one year	-	-	-	-
In two to five years	<u>70,832</u>	<u>6,359</u>	<u>-</u>	<u>6,359</u>

### 20 Controlling party and related party transactions

At 30 September 2009, the company's controlling party was R D Cornish, a director of the company. There was £84,781 (2008- £73,639) due from R D Cornish at 30 September 2009. The maximum amount outstanding during the year was £182,669 (2008 - £187,139).

At 30 September 2009, there was £25,518 (2008 £10,863) due from M D Cornish who has an interest in the company. The maximum amount outstanding during the year was £30,862 (2008 £100,000).

During the year the following dividends were paid to directors:

R D Cornish £337,500 (2008 - £135,000)  
M D Cornish £35,344 (2008 - £14,138)

During the year, professional services amounting to £18,209 (2008 - £112,935) 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 2009 (2008 - Nil).