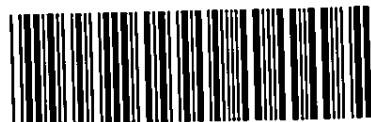


Iveagh Ltd
Report And Financial Statements
31 December 2009

WEDNESDAY



A7H8YJJ6

A33

28/04/2010

332

COMPANIES HOUSE

Rees Pollock
Chartered Accountants

COMPANY INFORMATION

Directors	The Earl of Iveagh (non-executive Chairman) Count N S Di Monteluca (non-executive deputy Chairman) The Hon H Channon (non-executive) The Hon G Fanshawe (non-executive) P Ross P Mack
Company secretary	S L Collins
Company number	4243473
Registered office	Suite 11 18c High Street Battle East Sussex TN33 0AE
Auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW
Bankers	Barclays Bank Plc Bexhill-on-Sea East Sussex TN40 1AW

DIRECTORS' REPORT
for the year ended 31 December 2009

The directors present their report and the financial statements for the year ended 31 December 2009

Principal activities

The company's principal activity during the period was the provision of investment management advice

Business review

The company operated in improved market conditions compared to 2008, albeit still in a highly challenging environment. The directors are of the view that 2010 will prove similar. The company continued to trade profitably in 2009 and looks forward to further development of its investment services to its clients in 2010.

Results

The profit for the year, after taxation, amounted to £118,414 (2008 - £42,185)

Directors

The directors who served during the year were

The Earl of Iveagh (non-executive Chairman)
Count N S Di Monteluca (non-executive deputy Chairman)
The Hon H Channon (non-executive)
The Hon G Fanshawe (non-executive)
P Ross
P Mack

Statement of 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 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,
- 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.

DIRECTORS' REPORT
for the year ended 31 December 2009

Pillar III Disclosure

The firm has documented the disclosures required by the FSA under BIPRU 11.3. These are available from the registered office

Provision of information to auditor

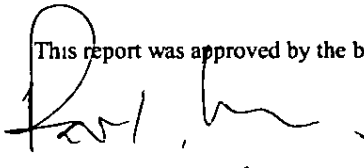
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

The auditors, Rees Pollock, have expressed their willingness to continue in office

This report was approved by the board on 23 April 2010 and signed on its behalf



P Mack
Director



REES POLLOCK

Chartered Accountants

35 New Bridge Street
London EC4V 6BW
Telephone 020 7778 7200
Fax 020 7329 6408
www.reespollock.co.uk

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IVEAGH LTD

We have audited the financial statements of Iveagh Ltd for the year ended 31 December 2009, set out on pages 4 to 14. 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 shareholders, 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 shareholders those matters we are required to state to them in an Auditors' 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 shareholders 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 Statement of directors' responsibilities, 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 of the financial statements

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 31 December 2009 and of its 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 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.

Jonathan Moulds (Senior statutory auditor)
for and on behalf of
Rees Pollock, Statutory auditors

26 April 2010

Partners: Simon Rees FCA CTA, Johnny Moulds FCA, Catherine Kimberlin FCA, Jonathan Munday FCA CTA, Chris Dimmick FCA, Chris Barnett ACA CTA, Phil Vipond ACA. Rees Pollock Limited

Registered to carry on audit work in the UK and Ireland and regulated for a range of investment business activities by The Institute of Chartered Accountants in England and Wales

VAT Registration No 524 9426 37

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2009

	Note	2009 £	2008 £
TURNOVER	1,2	3,098,274	2,131,886
Administrative expenses		(2,904,998)	(2,058,448)
OPERATING PROFIT	3	193,276	73,438
Interest receivable		136	1,201
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		193,412	74,639
Tax on profit on ordinary activities	6	(74,998)	(32,454)
PROFIT FOR THE FINANCIAL YEAR	13	118,414	42,185

All amounts relate to continuing operations

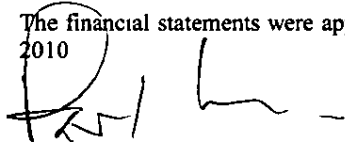
There were no recognised gains and losses for 2009 or 2008 other than those included in the Profit and loss account

The notes on pages 7 to 14 form part of these financial statements

BALANCE SHEET
as at 31 December 2009

	Note	£	2009 £	£	2008 £
FIXED ASSETS					
Tangible fixed assets	7		68,814		85,100
CURRENT ASSETS					
Debtors	8	1,036,479		585,764	
Investments	9	12,114		46,387	
Cash in hand		512,829		158,316	
		<u>1,561,422</u>		<u>790,467</u>	
CREDITORS: amounts falling due within one year	10	<u>(913,180)</u>		<u>(273,401)</u>	
NET CURRENT ASSETS			<u>648,242</u>		<u>517,066</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>717,056</u>		<u>602,166</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	11		<u>(5,596)</u>		<u>(9,120)</u>
NET ASSETS			<u><u>711,460</u></u>		<u><u>593,046</u></u>
CAPITAL AND RESERVES					
Called up share capital	12		369,090		369,090
Share premium account	13		61,883		61,883
Profit and loss account	13		<u>280,487</u>		<u>162,073</u>
SHAREHOLDERS' FUNDS	14		<u><u>711,460</u></u>		<u><u>593,046</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 April 2010



P Mack
Director

The notes on pages 7 to 14 form part of these financial statements

CASH FLOW STATEMENT
for the year ended 31 December 2009

	Note	2009 £	2008 £
Net cash flow from operating activities	15	377,265	17,275
Returns on investments and servicing of finance	16	136	1,201
Taxation		(32,984)	(4,901)
Capital expenditure and financial investment	16	10,096	(10,700)
CASH INFLOW BEFORE FINANCING		354,513	2,875
Financing	16	-	69,090
INCREASE IN CASH IN THE YEAR		354,513	71,965

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
for the year ended 31 December 2009

	2009 £	2008 £
Increase in cash in the year	354,513	71,965
MOVEMENT IN NET DEBT IN THE YEAR	354,513	71,965
Net funds at 1 January 2009	158,316	86,351
NET FUNDS AT 31 DECEMBER 2009	512,829	158,316

The notes on pages 7 to 14 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

1 ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Turnover

Turnover comprises revenue recognised by the company in respect of management fees receivable during the year, exclusive of Value Added Tax

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

L/Term Leasehold Property	-	5 years
Motor vehicles	-	5 years
Fixtures & fittings	-	7 years
Equipment	-	5 years

Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

1 ACCOUNTING POLICIES (continued)

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 TURNOVER

The whole of the turnover is attributable to the one principal activity of the company.

All turnover arose within the United Kingdom.

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2009	2008
	£	£
Depreciation of tangible fixed assets		
- owned by the company	33,487	29,759
Auditors' remuneration	15,000	15,000
Auditors' remuneration - non-audit	4,850	8,600
Operating lease rentals		
- land and buildings	128,663	152,251
Difference on foreign exchange	(4,240)	(77,467)
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 December 2009
4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2009	2008
	£	£
Wages and salaries	1,701,976	1,170,183
Social security costs	207,447	140,814
Other pension costs	32,300	13,370
	<u>1,941,723</u>	<u>1,324,367</u>

The average monthly number of employees, including the directors, during the year was as follows

	2009	2008
	No.	No.
Number of administrative staff	4	4
Number of sales & marketing staff	3	2
Number of fund management and operations staff	7	7
	<u>14</u>	<u>13</u>

5. DIRECTORS' REMUNERATION

	2009	2008
	£	£
Emoluments	<u>497,718</u>	<u>356,726</u>
Company pension contributions to money purchase pension schemes	<u>9,000</u>	<u>9,000</u>

During the year retirement benefits were accruing to 2 directors (2008 - 2) in respect of money purchase pension schemes

The highest paid director received remuneration of £249,550 (2008 - £193,045)

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £4,500 (2008 - £4,500)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009
6 TAXATION

	2009 £	2008 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	78,522	32,454
Deferred tax (see note 11)		
Origination and reversal of timing differences	(3,524)	-
Tax on profit on ordinary activities	<u>74,998</u>	<u>32,454</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2008 - higher than) the standard rate of corporation tax in the UK (28%) The differences are explained below

	2009 £	2008 £
Profit on ordinary activities before tax	<u>193,412</u>	<u>74,639</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 28%)	54,155	20,899
Effects of:		
Expenses not deductible for tax purposes	25,169	15,362
Marginal relief	(3,617)	(7,001)
Timing difference on fixed assets	2,815	2,422
Difference due to changes in tax rate	-	772
Current tax charge for the year (see note above)	<u>78,522</u>	<u>32,454</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

7 TANGIBLE FIXED ASSETS

	Leasehold property £	Motor vehicles £	Furniture, fittings and equipment £	Total £
Cost				
At 1 January 2009	21,209	4,699	147,490	173,398
Additions	-	-	17,201	17,201
Disposals	-	(4,699)	-	(4,699)
At 31 December 2009	21,209	-	164,691	185,900
Depreciation				
At 1 January 2009	9,419	4,699	74,180	88,298
Charge for the year	4,242	-	29,245	33,487
On disposals	-	(4,699)	-	(4,699)
At 31 December 2009	13,661	-	103,425	117,086
Net book value				
At 31 December 2009	7,548	-	61,266	68,814
At 31 December 2008	11,790	-	73,310	85,100

8. DEBTORS

	2009 £	2008 £
Trade debtors	382,743	211,523
Amounts owed by group undertakings	-	29,211
Other debtors	94,232	51,047
Prepayments and accrued income	559,504	293,983
	1,036,479	585,764

9. INVESTMENTS

	2009 £	2008 £
Other investments	12,114	46,387

Other investments represents an investment in one of the funds managed by the company. The investment is stated at a market value.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009
10. CREDITORS.

Amounts falling due within one year

	2009 £	2008 £
Trade creditors	97,669	48,584
Amounts owed to group undertakings	61,576	-
Corporation tax	77,992	32,454
Social security and other taxes	179,656	120,436
Accruals and deferred income	496,287	71,927
	<u>913,180</u>	<u>273,401</u>

11 DEFERRED TAXATION

	2009 £	2008 £
At beginning and end of year	<u>5,596</u>	<u>9,120</u>

The provision for deferred taxation is made up as follows

	2009 £	2008 £
Excess of taxation allowances over depreciation on fixed assets	<u>5,596</u>	<u>9,120</u>

12. SHARE CAPITAL

	2009 £	2008 £
Allotted, called up and fully paid		
369,090 Ordinary shares shares of £1 each	<u>369,090</u>	<u>369,090</u>

13. RESERVES

	Share premium account £	Profit and loss account £
At 1 January 2009	61,883	162,073
Profit for the year	-	118,414
At 31 December 2009	<u>61,883</u>	<u>280,487</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009
14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
Opening shareholders' funds	593,046	481,771
Profit for the year	118,414	42,185
Shares issued during the year	-	69,090
	<hr/>	<hr/>
Closing shareholders' funds	<u>711,460</u>	<u>593,046</u>

15 NET CASH FLOW FROM OPERATING ACTIVITIES

	2009	2008
	£	£
Operating profit	193,276	73,438
Depreciation of tangible fixed assets	33,487	29,759
Increase in debtors	(479,926)	(82,730)
Decrease/(increase) in amounts owed by group undertakings	29,211	(8,112)
Increase/(decrease) in creditors	532,665	(27,701)
Increase in amounts owed to group undertakings	61,576	-
Change in market value of investments	6,976	32,621
	<hr/>	<hr/>
Net cash inflow from operating activities	<u>377,265</u>	<u>17,275</u>

16 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2009	2008
	£	£
Returns on investments and servicing of finance		
Interest received	136	1,201
	<hr/>	<hr/>
	2009	2008
	£	£
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(17,201)	(10,700)
Sale of short term unlisted investments	34,273	-
Change in market value of investments	(6,976)	-
	<hr/>	<hr/>
Net cash inflow/(outflow) from capital expenditure	<u>10,096</u>	<u>(10,700)</u>
	<hr/>	<hr/>
	2009	2008
	£	£
Financing		
Issue of ordinary shares	-	69,090
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009
17. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2009	Cash flow	Other non-cash changes	31 December 2009
	£	£	£	£
Cash at bank and in hand	158,316	354,513	-	512,829
Net funds	<u>158,316</u>	<u>354,513</u>	<u>-</u>	<u>512,829</u>

18. OPERATING LEASE COMMITMENTS

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2009	2008
	£	£
Expiry date:		
Between 2 and 5 years	150,000	150,000

19. RELATED PARTY TRANSACTIONS

Included within turnover is an amount of £526,810 (2008 £905,243) receivable from Arundel Iveagh Holdings Limited, a company incorporated in Bermuda and under common control, for investment advisory services provided. An amount of £395,818 (2008 £189,936) was outstanding at the year end. The company also recharged expenses of £43,741 (2008 £36,472) to Arundel Iveagh Holdings Limited. An amount of £nil (2008 £29,211) in respect of a loan made to Arundel Iveagh Holdings Limited was outstanding at the year end.

Included within turnover is an amount of £118,837 (2008 £697,244) receivable from Arundel Emerging Ventures (Bermuda) Limited, a company incorporated in Bermuda and under common control, for investment advisory services provided. An amount of £192,934 (2008 £74,097) was outstanding at the year end. The company also recharged expenses of £5,707 (2008 £13,218) to Arundel Emerging Ventures (Bermuda) Limited.

20. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking and ultimate controlling party is Arundel Iveagh Holdings Limited, incorporated in Bermuda.