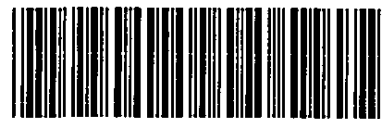


4243473

Iveagh Ltd
Report And Financial Statements
31 December 2010

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COMPANIES HOUSE

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 East Sussex TN33 0AE
Auditor	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 2010

The directors present their report and the financial statements for the year ended 31 December 2010

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 2009, albeit still in a highly challenging environment. The directors are of the view that 2011 will prove similar. The company looks forward to further development of its investment services to its clients in 2011.

Results

The profit for the year, after taxation, amounted to £77,856 (2009 - £118,414)

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.

Pillar III Disclosure

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

DIRECTORS' REPORT
for the year ended 31 December 2010

Provision of information to auditor

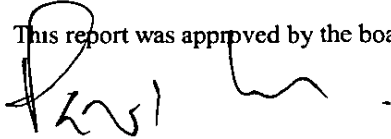
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is 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 auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

Auditor

The auditor, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 19 April 2011 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 2010, 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 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 shareholders 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 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 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 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 2010 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 Mouldsdaile (Senior statutory auditor)
for and on behalf of
Rees Pollock
Statutory Auditor

19 April 2011

PROFIT AND LOSS ACCOUNT
 for the year ended 31 December 2010

	Note	2010 £	2009 £
TURNOVER	1,2	3,094,144	3,098,274
Administrative expenses		(2,959,176)	(2,904,998)
OPERATING PROFIT	3	134,968	193,276
Interest receivable and similar income		127	136
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		135,095	193,412
Tax on profit on ordinary activities	6	(57,239)	(74,998)
PROFIT FOR THE FINANCIAL YEAR	13	77,856	118,414

All amounts relate to continuing operations

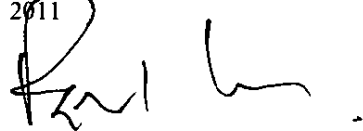
There were no recognised gains and losses for 2010 or 2009 other than those included in the Profit and loss account

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

BALANCE SHEET
as at 31 December 2010

	Note	£	2010 £	£	2009 £
FIXED ASSETS					
Tangible assets	7		55,815		68,814
CURRENT ASSETS					
Debtors	8	1,084,425		1,036,479	
Investments	9	3,357		12,114	
Cash in hand		86,375		512,829	
		<u>1,174,157</u>		<u>1,561,422</u>	
CREDITORS: amounts falling due within one year	10	<u>(436,064)</u>		<u>(913,180)</u>	
NET CURRENT ASSETS			738,093		648,242
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>793,908</u>		<u>717,056</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	11		<u>(4,592)</u>		<u>(5,596)</u>
NET ASSETS			<u><u>789,316</u></u>		<u><u>711,460</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>358,343</u>		<u>280,487</u>
SHAREHOLDERS' FUNDS	14		<u><u>789,316</u></u>		<u><u>711,460</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 April 2011



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 2010

	Note	2010 £	2009 £
Net cash flow from operating activities	15	(332,669)	377,265
Returns on investments and servicing of finance	16	127	136
Taxation		(78,522)	(32,984)
Capital expenditure and financial investment	16	(15,390)	10,096
(DECREASE)/INCREASE IN CASH IN THE YEAR		(426,454)	354,513

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
for the year ended 31 December 2010

	2010 £	2009 £
(Decrease)/Increase in cash in the year	(426,454)	354,513
MOVEMENT IN NET DEBT IN THE YEAR	(426,454)	354,513
Net funds at 1 January 2010	512,829	158,316
NET FUNDS AT 31 DECEMBER 2010	86,375	512,829

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

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The directors have prepared budgets that show that the company will have sufficient resources to meet its liabilities as they fall due for a period of at least twelve months from the signing of these accounts. Consequently the directors believe that the going concern basis is appropriate and the accounts have been prepared under that assumption.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of services supplied, exclusive of Value Added Tax.

1.4 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.

1.5 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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

1. ACCOUNTING POLICIES (continued)

1.6 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

1.7 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

1.8 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)

	2010	2009
	£	£
Depreciation of tangible fixed assets		
- owned by the company	28,389	33,487
Auditors' remuneration	15,000	15,000
Auditors' remuneration - non-audit	10,792	4,850
Operating lease rentals		
- land and buildings	164,434	128,663
Difference on foreign exchange	702	(4,240)
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2010	2009
	£	£
Wages and salaries	1,562,751	1,701,976
Social security costs	187,685	207,447
Other pension costs	35,703	32,300
	<u>1,786,139</u>	<u>1,941,723</u>

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

	2010	2009
	No.	No.
Number of administrative staff	6	4
Number of sales & marketing staff	3	3
Number of fund management and operations staff	9	7
	<u>18</u>	<u>14</u>

5. DIRECTORS' REMUNERATION

	2010	2009
	£	£
Emoluments	<u>445,220</u>	<u>497,718</u>
Company pension contributions to defined contribution pension schemes	<u>9,000</u>	<u>9,000</u>

During the year retirement benefits were accruing to 2 directors (2009 - 2) in respect of defined contribution pension schemes

The highest paid director received remuneration of £262,002 (2009 - £249,550)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,750 (2009 - £4,500)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

6. TAXATION

	2010 £	2009 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	58,243	78,522
Deferred tax (see note 11)		
Origination and reversal of timing differences	(1,004)	(3,524)
Tax on profit on ordinary activities	<u>57,239</u>	<u>74,998</u>

Factors affecting tax charge for the year

The tax assessed for the year is different from that calculated using the standard rate of corporation tax in the UK of 28% (2009 - 28%) The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	<u>135,095</u>	<u>193,412</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 - 28%)	37,827	54,155
Effects of:		
Expenses not deductible for tax purposes	24,222	25,169
Capital allowances for year in excess of depreciation	1,003	2,815
Marginal relief	(4,809)	(3,617)
Current tax charge for the year (see note above)	<u>58,243</u>	<u>78,522</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

7. TANGIBLE FIXED ASSETS

	Leasehold Property £	Motor vehicles £	Fixtures & fittings and Equipment £	Total £
Cost				
At 1 January 2010	21,209	4,699	164,691	190,599
Additions	-	-	15,390	15,390
At 31 December 2010	21,209	4,699	180,081	205,989
Depreciation				
At 1 January 2010	13,661	4,699	103,425	121,785
Charge for the year	4,242	-	24,147	28,389
At 31 December 2010	17,903	4,699	127,572	150,174
Net book value				
At 31 December 2010	3,306	-	52,509	55,815
At 31 December 2009	7,548	-	61,266	68,814

8. DEBTORS

	2010 £	2009 £
Trade debtors	3,367	382,743
Amounts owed by group undertakings	272,049	-
Other debtors	89,130	94,232
Prepayments and accrued income	719,879	559,504
	<u>1,084,425</u>	<u>1,036,479</u>

9. INVESTMENTS

	2010 £	2009 £
Other investments	<u>3,357</u>	<u>12,114</u>

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 2010

10. CREDITORS

Amounts falling due within one year

	2010	2009
	£	£
Trade creditors	63,150	97,669
Amounts owed to group undertakings	-	61,576
Corporation tax	57,713	77,992
Social security and other taxes	270,706	179,656
Accruals and deferred income	44,495	496,287
	<u>436,064</u>	<u>913,180</u>

11. DEFERRED TAXATION

	2010	2009
	£	£
At beginning and end of year	<u>4,592</u>	<u>5,596</u>

The provision for deferred taxation is made up as follows

	2010	2009
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>4,592</u>	<u>5,596</u>

12. SHARE CAPITAL

	2010	2009
	£	£
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 2010	61,883	280,487
Profit for the year	-	77,856
At 31 December 2010	<u>61,883</u>	<u>358,343</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2010	2009
	£	£
Opening shareholders' funds	711,460	593,046
Profit for the year	77,856	118,414
	<u>789,316</u>	<u>711,460</u>
Closing shareholders' funds	<u>789,316</u>	<u>711,460</u>

15. NET CASH FLOW FROM OPERATING ACTIVITIES

	2010	2009
	£	£
Operating profit	134,968	193,276
Depreciation of tangible fixed assets	28,389	33,487
Decrease/(increase) in debtors	224,103	(479,926)
(Increase)/decrease in amounts owed by group undertakings	(272,049)	29,211
(Decrease)/increase in creditors	(395,261)	532,665
(Decrease)/increase in amounts owed to group undertakings	(61,576)	61,576
Change in market value of investments	8,757	6,976
	<u>(332,669)</u>	<u>377,265</u>
Net cash (outflow)/inflow from operating activities	<u>(332,669)</u>	<u>377,265</u>

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

	2010	2009
	£	£
Returns on investments and servicing of finance		
Interest received	127	-
Interest paid	-	136
	<u>127</u>	<u>136</u>
Net cash inflow from returns on investments and servicing of finance	<u>127</u>	<u>136</u>
	2010	2009
	£	£
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(15,390)	(17,201)
Sale of short term unlisted investments	8,757	34,273
Change in market value of investments	(8,757)	(6,976)
	<u>1 (15,390)</u>	<u>10,096</u>
Net cash (outflow)/inflow from capital expenditure	<u>1 (15,390)</u>	<u>10,096</u>

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010

17 ANALYSIS OF CHANGES IN NET DEBT

	1 January 2010 £	Cash flow £	Other non-cash changes £	31 December 2010 £
Cash at bank and in hand	512,829	(426,454)	-	86,375
Net funds	512,829	(426,454)	-	86,375

18. OPERATING LEASE COMMITMENTS

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2010 £	2009 £
Expiry date:		
Within 1 year	41,096	-
Between 2 and 5 years	-	150,000

19 RELATED PARTY TRANSACTIONS

Included within turnover is an amount of £403,514 (2009 £526,810) receivable from Arundel Iveagh Holdings Limited, a company incorporated in Bermuda and under common control, for investment advisory services provided. The company also recharged expenses of £170,007 (2009 £43,741) to Arundel Iveagh Holdings Limited. An amount of £422,550 (2009 £395,818) was owed to the company at the year end.

Included within turnover is an amount of £nil (2009 £118,837) receivable from Arundel Emerging Ventures (Bermuda) Limited, a company incorporated in Bermuda and under common control, for investment advisory services provided. The company also recharged expenses of £35,342 (2009 £5,707) to Arundel Emerging Ventures (Bermuda) Limited. An amount of £174,560 (2009 £192,934) was owed to the company at the year end.

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.