

Tiger Investments Limited
(Limited by guarantee)

Directors' report and financial statements

31 December 2011

Registered in England and Wales number 4851000

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Tiger Investments Limited

Directors' report and financial statements

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Tiger Investments Limited

Directors' report

The directors present their report and the financial statements of the Company for the year ended 31 December 2011

Principal activities

The Company is an investment holding company, limited by guarantee. The directors foresee no material change in the nature of the Company's activities.

On 30 November 2011, shareholders of LMS Capital plc, the ultimate parent of the Company, approved a change in the investment policy of LMS Capital plc with the objective of conducting an orderly realisation of the assets of LMS Capital plc in a manner that seeks to achieve a balance between an efficient return of cash to shareholders and maximising the value of LMS Capital plc's investments. Consequently, as the Directors of the Company intend to liquidate the Company following the realisation and settlement of the remaining net assets, which may be over a number of years, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

Business review

The Company does not have any employees, nor does it trade on its own account. Any income received, or expenses incurred, result from the actions taken by LMS Capital plc and which, for financial reporting purposes, are accounted for in the Company's financial records. The Company's profit and loss account is on page 6 and its balance sheet is on page 7. The financial results of the Company are included within its parent company's consolidated report and accounts.

The principal risks and uncertainties facing the Company are integrated with those of its parent company and are not managed separately. The principal risks and uncertainties faced by its parent company are discussed in detail in the report and accounts of LMS Capital plc which does not form part of this report.

The directors of the Company believe that an analysis of the Company's operations using key performance indicators is neither necessary nor appropriate as the operations of the Company are managed by its parent company on a consolidated investment management business basis.

Copies of LMS Capital plc's report and accounts can be found in the Investor Relations section on its website, www.lmscapital.com, or a paper copy can be requested from its registered office, 100 George Street, London, W1U 8NU.

Financial review and dividends

The results for the year are set out in the Profit and Loss Account on page 6. No political or charitable donations were made during the year (year ended 31 December 2010: £nil).

The directors do not recommend the payment of a dividend (year ended 31 December 2010: £nil).

Directors

The directors who held office during the year were as follows:

GJ Payne (resigned 9 December 2011)
The Hon RA Rayne
ACS Sweet

Tiger Investments Limited

Directors' report (continued)

Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information as defined by the Companies Act 2006, of which the Company's auditor is unaware, each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

Auditor

In accordance with s 487 of the Companies Act 2006, KPMG Audit Plc are deemed as being re-appointed as auditor of the Company

By order of the board



A C S Sweet
Company Secretary
100 George Street
London
W1U 8NU

26 April 2012

Tiger Investments Limited

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 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,
- 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. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis

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

Independent auditor's report to the members of Tiger Investments Limited

We have audited the financial statements of Tiger Investments Limited (the "Company") for the year ended 31 December 2011 set out on pages 6 to 14. 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 Statement of directors' responsibilities set out on page 3, 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.

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 loss 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.

Emphasis of matter – non-going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reason set out in that note.

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.

Independent auditor's report to the members of Tiger Investments Limited (*continued*)

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



Iain Bannatyne (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
8 Salisbury Square
London
EC4Y 8BB

26 April 2012

Tiger Investments Limited

Profit and Loss Account

Year ended 31 December 2011

| | <u>Notes</u> | <u>Year ended</u> <u>31-Dec-11</u> £ | <u>Year ended</u> <u>31-Dec-10</u> £ |
|--|--------------|--|--|
| Administrative expenses | 2 | - | - |
| Loss on ordinary activities before taxation | | <hr/> - | <hr/> - |
| Tax on loss on ordinary activities | 3 | (18,933) | (19,989) |
| Loss for the financial year | | (18,933) <hr/> | (19,989) <hr/> |

All results are derived from continuing activities

The notes on pages 9 to 14 form part of the financial statements

Tiger Investments Limited

Company Registration Number 4851000

Balance Sheet

As at 31 December 2011

| | <u>Notes</u> | <u>31-Dec-11</u> £ | <u>31-Dec-10</u> £ |
|--|--------------|-----------------------|-----------------------|
| Fixed Assets | | | |
| Investments in group undertakings | 4 | 3,924,344 | 4,139,396 |
| | | <hr/> | <hr/> |
| Current Assets | | | |
| Debtors | 5 | 20,479,606 | 20,478,983 |
| Creditors' amounts falling due within one year | 6 | (18,943,052) | (18,923,496) |
| | | <hr/> | <hr/> |
| Net Current Assets | | 1,536,554 | 1,555,487 |
| | | <hr/> | <hr/> |
| Net Assets | | 5,460,898 | 5,694,883 |
| | | <hr/> | <hr/> |
| Capital and Reserves | | | |
| Revaluation Reserve | 7 | 3,887,844 | 4,102,896 |
| Profit and Loss Account | 7 | 1,573,054 | 1,591,987 |
| | | <hr/> | <hr/> |
| Equity Shareholders' Funds | 8 | 5,460,898 | 5,694,883 |
| | | <hr/> | <hr/> |

The notes on pages 9 to 14 form part of the financial statements

These financial statements were approved by the board of directors on 26 April 2012 and were signed on its behalf by



A C S Sweet
Director

Tiger Investments Limited

Statement of Total Recognised Gains and Losses

For the year ended 31 December 2011

| | <u>Year ended</u> <u>31-Dec-11</u> £ | <u>Year ended</u> <u>31-Dec-10</u> £ |
|---|--|--|
| Loss for the financial year | (18,933) | (19,989) |
| (Impairment) / revaluation of investments in group undertakings | (215,052) | 2,816,272 |
| Total recognised gains and losses relating to the financial year | (233,985) | 2,796,283 |

Tiger Investments Limited

Notes to the Financial Statements

1 Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial information has been prepared in accordance with applicable accounting standards and under the historic cost convention, modified to include the revaluation of investments in group undertakings that are stated at fair value rather than cost less provision for diminution in value

The Company is a wholly owned subsidiary undertaking of another UK undertaking and has dispensed with the requirement to prepare group accounts as permitted by s 400 Companies Act 2006

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

In previous years, the financial statements have been prepared on a going concern basis. However, on 30 November 2011 the shareholders of LMS Capital plc, the ultimate parent of the Company, approved a change in the investment policy of LMS Capital plc with the objective of conducting an orderly realisation of the assets of the LMS Capital plc in a manner that seeks to achieve a balance between an efficient return of cash to shareholders and maximising the value of the LMS Capital plc's investments. Consequently, as the Directors of the Company intend to liquidate the Company following the realisation and settlement of the remaining net assets, which may be over a number of years, these financial statements have not been prepared on a going concern basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements as a consequence of the change in the basis of preparation.

Investments in group undertakings

The Company's investments in group undertakings is stated at directors' valuation on a basis which takes account of the fair value of the net assets of those group undertakings at 31 December 2011. Surpluses and temporary deficits arising from the directors' valuation are taken to the revaluation reserve in the balance sheet, permanent diminutions in value are taken to the Profit and Loss Account.

Tiger Investments Limited

Notes to the Financial Statements (continued)

1 Principal accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of transaction. Assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date, and exchange differences are included in the Profit and Loss Account.

Investments denominated in foreign currencies are translated at the closing rates ruling at the balance sheet date as part of the fair value adjustment and are taken as a gain/(loss) in the current year profit/(loss).

Taxation

Corporation tax payable both in the UK and overseas is provided on taxable profits at the current rate. Deferred tax assets and liabilities arise from timing differences between the recognition of gains and losses in the accounts and their recognition in a tax computation that are not expected to be recovered in the short term. In accordance with FRS 19 'Deferred Tax', deferred tax is provided in respect of all timing differences that have originated, but not reversed, at the balance sheet date that may give rise to an obligation to pay more or less tax in the near future. Deferred tax is measured on a non-discounted basis and is provided for at 26% (year ended 31 December 2010: 28%). No deferred tax asset is recognised as at 31 December 2011.

Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) They include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company, and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

Tiger Investments Limited

Notes to the Financial Statements (continued)

1 Principal accounting policies (continued)

Classification of financial instruments issued by the Company (continued)

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 Administrative expenses

Audit fees have been paid by LMS Capital plc, the ultimate holding company, in the amount of £5,000 (year ended 31 December 2010: £5,000). The Company does not have any employees (year ended 31 December 2010: nil) and there were no directors' emoluments (year ended 31 December 2010: £nil).

3 Tax on loss on ordinary activities

| | <u>Year ended</u> <u>31-Dec-11</u> £ | <u>Year ended</u> <u>31-Dec-10</u> £ |
|---|--|--|
| Analysis of tax charge in the year | | |
| UK Corporation tax | | |
| Current tax | (18,933) | (20,157) |
| Adjustments in respect of prior periods | - | 168 |
| Total current tax charge | <u>(18,933)</u> | <u>(19,989)</u> |

Tiger Investments Limited

Notes to the Financial Statements (continued)

3 Tax on loss on ordinary activities (continued)

Factors affecting the tax charge for the year

The current tax charge for the year is higher (year ended 31 December 2010 higher) than the standard rate of corporation tax in the UK of 26.5% (year ended 31 December 2010 28%). The differences are explained below

| | <u>Year ended</u> <u>31-Dec-11</u> £ | <u>Year ended</u> <u>31-Dec-10</u> £ |
|---|--|--|
| Current tax reconciliation | | |
| Loss on ordinary activities before taxation | - | - |
| Current tax at 26.5% (2010 28%) | - | - |
| Effects of: | | |
| Adjustments in respect of prior periods | - | 168 |
| Transfer pricing adjustments | (18,933) | (20,157) |
| Current tax charge for the financial year | (18,933) | (19,989) |

4 Investments in group undertakings

| | <u>31-Dec-11</u> £ | <u>31-Dec-10</u> £ |
|---|-----------------------|-----------------------|
| Valuation | | |
| At start of the year | 4,139,396 | 1,323,124 |
| (Impairment) / revaluation | (215,052) | 2,816,272 |
| At end of the year | 3,924,344 | 4,139,396 |
| Historical cost of revalued assets | 36,500 | 36,500 |

The investments in group undertakings are as follows

| Name | Country of Registration | % | Activity |
|------------------------------------|-------------------------|----|-----------------|
| LMS Tiger Investments Limited | England and Wales | 26 | Holding Company |
| LMS Tiger Investments (II) Limited | England and Wales | 30 | Holding Company |

In the opinion of the directors the investments in group undertakings are worth at least the amount shown in these financial statements. The holdings are of ordinary shares.

Tiger Investments Limited

Notes to the Financial Statements (continued)

5 Debtors

| | <u>31-Dec-11</u> | <u>31-Dec-10</u> |
|------------------------------------|-------------------|-------------------|
| | £ | £ |
| Amounts owed by group undertakings | <u>20,479,606</u> | <u>20,478,983</u> |

6 Creditors: amounts falling due within one year

| | <u>31-Dec-11</u> | <u>31-Dec-10</u> |
|------------------------------------|-------------------|-------------------|
| | £ | £ |
| Amounts owed to group undertakings | 18,924,119 | 18,903,339 |
| Corporation tax payable | 18,933 | 20,157 |
| | <u>18,943,052</u> | <u>18,923,496</u> |

7 Reserves

| | <u>Revaluation Reserve</u> | <u>Profit and Loss Account</u> |
|---|--------------------------------|--|
| | £ | £ |
| At 31 December 2010 | 4,102,896 | 1,591,987 |
| Loss for the financial year | - | (18,933) |
| Impairment of investments in group undertakings | (215,052) | - |
| At 31 December 2011 | <u>3,887,844</u> | <u>1,573,054</u> |

The Company is limited by guarantee

8 Reconciliation of movements in equity shareholders' funds

| | <u>31-Dec-11</u> | <u>31-Dec-10</u> |
|---|-------------------------|-------------------------|
| | £ | £ |
| Loss for the financial year | (18,933) | (19,989) |
| (Impairment) / revaluation of investments in group undertakings | (215,052) | 2,816,272 |
| Net movement in equity shareholders' funds | <u>(233,985)</u> | <u>2,796,283</u> |
| Opening equity shareholders' funds | 5,694,883 | 2,898,600 |
| Closing equity shareholders' funds | <u>5,460,898</u> | <u>5,694,883</u> |

Tiger Investments Limited

Notes to the Financial Statements (continued)

9 Related Party Transactions

The Company is controlled by LMS Capital Holdings Limited, the Company's immediate parent company. The ultimate controlling party at the balance sheet date is LMS Capital plc, the Company's ultimate parent company. As a wholly owned subsidiary of LMS Capital plc, the Company has taken advantage of the exemption contained in Financial Reporting Standard 8 "Related party disclosures" and has therefore not disclosed transactions or balances with entities which form part of the group.

10 Ultimate parent company

At the balance sheet date the Company is a subsidiary undertaking of LMS Capital plc which is the ultimate parent company incorporated in England and Wales.

No other subsidiary financial statements include the results of the Company. The consolidated financial statements of LMS Capital plc may be obtained at the following address: 100 George Street, London, W1U 8NU.