

REGISTERED NUMBER: 5017524 (England and Wales)

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE  
REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2007**

FRIDAY



\*AN70XWN8\*

A21

25/01/2008

389

COMPANIES HOUSE

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2007**

---

	<b>Page</b>
<b>Company Information</b>	1
<b>Report of the Directors</b>	2 to 3
<b>Report of the Independent Auditors</b>	4 to 5
<b>Profit and Loss Account</b>	6
<b>Balance Sheet</b>	7
<b>Notes to the Financial Statements</b>	8 to 11
<b>Profit and Loss Account</b>	12

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31ST MARCH 2007**

---

**DIRECTORS:**

Mr P Tellwright  
Mr J M Caines  
Mrs D Milner

**SECRETARY:**

Peake Company Secretaries Limited

**REGISTERED OFFICE:**

Great Western Business Centre  
Emlyn Square  
SWINDON  
Wiltshire  
SN1 5BP

**REGISTERED NUMBER:**

5017524 (England and Wales)

**AUDITORS:**

Morris Owen  
Registered Auditors  
43-45 Devizes Road  
SWINDON  
Wiltshire  
SN1 4BG

**BANKERS:**

Barclays Bank Plc  
28 Regent Street  
SWINDON  
Wiltshire  
SN1 1JW

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST MARCH 2007**

---

The directors present their report with the financial statements of the company for the year ended 31st March 2007.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the operation of a Business Angel Network whereby early stage businesses requiring equity finance are introduced to potential private investors seeking such opportunities

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements

SWAIN has continued to develop its activities successfully. The levels of interest from both business and private investors continued to rise throughout the year and activity levels were ahead of target. By the year end the number of registered investors with whom SWAIN had developed relationships had grown to over 160.

The number of investments completed by Business Angels rose to sixteen, consolidating SWAIN's position as one of the most active regional networks in the country. In completed transactions the total amount of equity provided by SWAIN private investors was in excess of £1.8 million taking the total cumulative amount of finance raised for all SWAIN related investments to in excess of £9.1 million.

The support and encouragement given to this sector by the taxation and legislation SWAIN were amongst the first to take advantage of the newly introduced Enterprise Capital Fund Scheme by becoming a founder partner in the IQ Capital £25,000,000 co-investment Fund.

SWAIN has been successful in negotiating a three year extension with the South West Regional Development Agency for the continuation of its financial support to, and on-going sponsorship of SWAIN. It should be recognised that the continuation of SWAIN does depend fundamentally upon ongoing financial support being received from the South West Regional Development Agency.

During the year none of the Directors declared any conflicts of interest with SWAIN's commercial activities and no political or charitable donations were made.

All SWAIN staff are regularly involved in staff meetings and the Directors welcome the valuable contributions made at these meetings.

The company's policy on the payment of creditors is to adhere to the terms negotiated and agreed. There have been no significant disputes.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st April 2006 to the date of this report.

Mr P Tellwright  
Mr J M Caines  
Mrs D Milner

Other changes in directors holding office are as follows:

Mr S Richards - resigned 30th April 2006

Mr M Holman ceased to be a director after 31st March 2007 but prior to the date of this report.

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST MARCH 2007**

---

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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). The financial statements are required by law to 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,
- 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

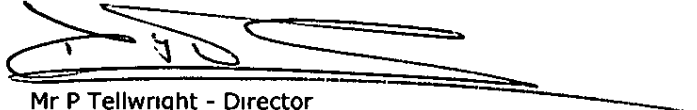
So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the reasonable steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Morris Owen, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**



Mr P Tellwright - Director

21st November 2007

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED**

---

We have audited the financial statements of South West Angel and Investor Network Limited for the year ended 31st March 2007 on pages six to eleven. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page three.

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 whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Report of the Directors 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.

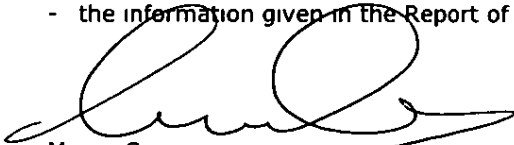
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED**

---

**Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31st March 2007 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 Report of the Directors is consistent with the financial statements



Morris Owen  
Registered Auditors  
43-45 Devizes Road  
SWINDON  
Wiltshire  
SN1 4BG

Date 23 January 2008.

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2007**

	Notes	2007 £	2006 £
<b>TURNOVER</b>		<b>98,158</b>	82,682
Administrative expenses		<u><b>99,367</b></u>	<u>82,901</u>
<b>OPERATING LOSS</b>	2	<b>(1,209)</b>	(219)
Interest receivable and similar income		<u><b>1,209</b></u>	<u>219</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		-	-
Tax on profit on ordinary activities	3	<u>-</u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements



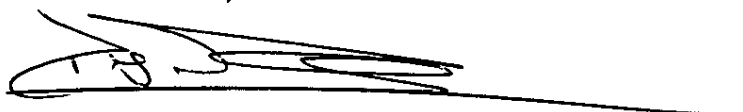
**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET  
31ST MARCH 2007**

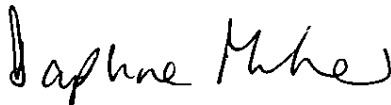
	Notes	2007 £	2006 £
<b>FIXED ASSETS</b>			
Tangible assets	4	1,941	4,073
<b>CURRENT ASSETS</b>			
Debtors	5	45,811	21,894
Cash at bank		89,559	107,644
		<b>135,370</b>	<b>129,538</b>
<b>CREDITORS</b>			
Amounts falling due within one year	6	87,316	82,028
<b>NET CURRENT ASSETS</b>		<b>48,054</b>	<b>47,510</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>49,995</b>	<b>51,583</b>
<b>ACCRUALS AND DEFERRED INCOME</b>	8	<b>1,941</b>	<b>3,529</b>
<b>NET ASSETS</b>		<b>48,054</b>	<b>48,054</b>
<b>RESERVES</b>			
Profit and loss account	10	48,054	48,054
<b>SHAREHOLDERS' FUNDS</b>		<b>48,054</b>	<b>48,054</b>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board of Directors on 21st November 2007 and were signed on its behalf by



Mr P Tellwright - Director



Mrs D Milner - Director

The notes form part of these financial statements

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2007**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

**Turnover**

Turnover represents net invoiced sales of services, excluding value added tax

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment - 33% on cost

**Deferred Government Grants**

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate

**2 OPERATING LOSS**

The operating loss is stated after charging.

	<b>2007</b>	2006
	<b>£</b>	£
Depreciation - owned assets	<b>3,212</b>	3,347
Auditors' remuneration	<b><u>3,541</u></b>	<u>1,525</u>
Directors' emoluments and other benefits etc	<b><u>2,500</u></b>	<u>-</u>

**3 TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31st March 2007 nor for the year ended 31st March 2006

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2007**

**4 TANGIBLE FIXED ASSETS**

	Office equipment £
<b>COST</b>	
At 1st April 2006	11,351
Additions	1,080
Disposals	(130)
At 31st March 2007	<u>12,301</u>
<b>DEPRECIATION</b>	
At 1st April 2006	7,278
Charge for year	3,212
Eliminated on disposal	(130)
At 31st March 2007	<u>10,360</u>
<b>NET BOOK VALUE</b>	
At 31st March 2007	<u>1,941</u>
At 31st March 2006	<u>4,073</u>

**5 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 £	2006 £
Trade debtors	25,435	18,319
Prepayments and accrued income	20,376	3,575
	<u>45,811</u>	<u>21,894</u>

**6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 £	2006 £
Trade creditors	8,852	9,601
VAT	1,586	3,642
Other creditors	71,968	66,551
Accruals and deferred income	4,910	2,234
	<u>87,316</u>	<u>82,028</u>

**7 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	2007 £	2006 £
Expiring Within one year	<u>13,260</u>	<u>15,944</u>

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2007**

**8. ACCRUALS AND DEFERRED INCOME**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Deferred government grants	<b>12,431</b>	10,807
Aggregate amortisation	<b>(10,490)</b>	(7,278)
	<u><b>1,941</b></u>	<u><b>3,529</b></u>

**9 CALLED UP SHARE CAPITAL**

The company is limited by guarantee and therefore has no share capital. Each member's guarantee liability is limited to £1.

**10 RESERVES**

	<b>Profit and loss account £</b>
At 1st April 2006	<b>48,054</b>
Profit for the year	-
At 31st March 2007	<u><b>48,054</b></u>

**11 RELATED PARTY DISCLOSURES**

South West Angel and Investor Network Limited owe each of the six Business Links involved £10,000 at the period end. These are interest free loans given to South West Angel and Investor Network Limited to fund the company throughout the length of the initial project.

During the year, Philip Telwright a director of the company claimed expenses from the company. At the year end there was a creditor in the purchase ledger for £1,838 (2006 £1,949) owing to Philip Telwright in relation to these expenses.

During the year Great Western Enterprises Limited carried out consultancy work for SWAIN Limited in relation to setting up the HR element of the business. Total costs for the year amounted to £10,000 (2006 £nil). At the year end a balance of £5,875.00 (2006 £nil) was included as a creditor in the purchase ledger.

During the year BLBW division of Great Western Enterprises Limited paid wages to staff who work for SWAIN Limited amounting to £119,298 and employers national insurance amounting to £13,012. Great Western Enterprises Limited made a claim direct to SWRDA for these charges and the charges did not appear in SWAIN's financial statements.

At the end of the year, South West Angel and Investor Network Limited had £11,968 (2006 £6,551) disclosed in creditors as owing to Great Western Enterprise Limited.

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2007**

---

**12     ULTIMATE CONTROLLING PARTY**

South West Angel and Investor Network has been set up as a joint arrangement between six Business Links in the South of England. They each control one sixth of the company but no one company has overall control of South West Angel and Investor Network Limited. The six Business Links controlling the company are Great Western Enterprises Limited, Business Link Somerset, Chargrove Business Services (formally Business Link Gloucestershire), Business Link Devon & Cornwall, Business Link West, and Wessex Enterprise (formally Business Link Wessex).

**SOUTH WEST ANGEL AND INVESTOR NETWORK  
LIMITED  
COMPANY LIMITED BY GUARANTEE**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2007**

	2007		2006
	£	£	£
<b>Sales</b>	<b>98,158</b>		82,682
<b>Other income</b>			
Deposit account interest	<u>1,209</u>		<u>219</u>
	<b>99,367</b>		82,901
<b>Expenditure</b>			
Rent, rates and water	15,885	13,320	
Directors' salaries	2,500	-	
Telephone	3,194	3,786	
Postage and stationery	3,474	2,291	
Advertising	21,582	23,681	
Travel and subsistence	2,474	2,334	
Motor expenses	9,239	12,775	
Insurance (general)	1,462	1,391	
Subscriptions	1,182	839	
Repairs and renewals	213	-	
Staff recruitment and training	1,868	1,403	
Computer expenses	2,043	115	
Sundry expenses	-	331	
SWRDA funding adjustment	11,968	12,617	
Release of government grants	(3,212)	(3,347)	
Legal and professional fees	14,154	4,529	
Auditors' remuneration	3,541	1,525	
Depreciation of tangible fixed assets	3,212	3,347	
Entertainment	3,472	1,960	
Bad debts	1,116	-	
	<u>99,367</u>	<u>-</u>	<u>82,897</u>
	-		4
<b>Finance costs</b>			
Bank charges	-		4
<b>NET PROFIT</b>	<u>-</u>		<u>-</u>

This page does not form part of the statutory financial statements