

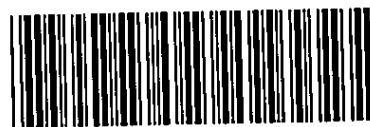
Company Registration No. 5609450 (England and Wales)

CASCADE CAPITAL LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2008**

FRIDAY



AZC219A7

A55

24/04/2009

125

COMPANIES HOUSE

CASCADE CAPITAL LIMITED

COMPANY INFORMATION

Directors

Mr Ajay Pabari
Ms Carolyn May
Ms Emma J Wright

Secretary

Ms Emma J Wright

Company number

5609450

Registered office

11 Upper Grosvenor Street
London
W1K 2NB

Auditors

Fisher, Sassoon & Marks
43-45 Dorset Street
London
W1U 7NA

CASCADE CAPITAL LIMITED

CONTENTS

	Page
Directors' report	1 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 11

CASCADE CAPITAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their report and financial statements for the year ended 31 December 2008.

Principal activities and review of the business

The principal activity of the company is that of Fund Management.

The company is regulated by the Financial Services Authority Limited to undertake all activities relating to Fund Management.

The results for the year and the financial position at the year end were considered satisfactory by the directors. The loss for the period relates to start up costs prior to the company commencing to undertake fund management services.

As a service provider the directors consider that the key financial risk exposures faced by the company relate to the need to maintain sufficient liquidity to satisfy regulatory capital requirements and working capital needs.

At the year end the company had net assets of £49,830 (2007 : £69,412).

Capital Requirements Directive Pillar 3 Disclosure

Background

The Capital Requirements Directive ('the Directive') of the European Union created a revised regulatory capital framework across Europe governing how much capital financial services firms must retain. In the United Kingdom, this is being implemented by our regulator, the Financial Services Authority ('FSA') who has created new rules and guidance specifically through the creation of the General Prudential Source book ('GENPRU') and the Prudential Source book for Banks, Building Societies and Investment Firms ('BIPRU').

The new FSA framework consists of three 'Pillars':

- Pillar 1 sets out the minimum capital requirements that we need to retain to meet our credit, market and operational risk;
- Pillar 2 requires us, and the FSA, to take a view on whether we need to hold additional capital against firm-specific risks not covered by Pillar 1;
- and Pillar 3 requires us to develop a set of disclosures which will allow market participants to assess key information about our underlying risks, risk management controls and capital position.

The rules in BIPRU II set out the provision for Pillar 3 disclosure. This must be done in accordance with a formal disclosure document. The disclosure of this document meets our obligation with respect to Pillar 3.

The rules provide that we may omit one or more of the required disclosures if we believe that the information is immaterial. Materiality is based on the criterion that the omission or misstatement of any information would be likely to change or influence the decision of a reader relying on that information. Where we have considered a disclosure to be immaterial, we have stated this in the document.

In addition, we may also omit one or more of the required disclosures where we believe that the information is regarded as proprietary or confidential. In our view, proprietary information is that which, if it were shared, would undermine our competitive position. Information is considered to be confidential where there are obligations binding us to confidentiality with our customers, suppliers and counterparties. Where we have omitted information for either of these two reasons we have stated this in the relevant section and the reasons for this. Where we have omitted information for either of these two reasons we have stated this in the relevant section and the reasons for this.

CASCADE CAPITAL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

Scope and application of the requirements

The company is authorised and regulated by the FSA and has permission to provide arranging and investment advisory services on behalf of professional clients and eligible counterparties.

Risk management

The Directors determine the company's business strategy and risk appetite along with designing and implementing a risk management framework that recognizes the risks that the business faces. They also determine how those risks may be mitigated and assess on an ongoing basis the arrangements to manage those risks. The Directors meet on a regular basis and discuss current projections for profitability and regulatory capital management, business planning and risk management. The Directors manage the Firm's risks through a framework of policy and procedures having regard to relevant laws, standards, principles and rules (including FSA principles and rules) with the aim to operate a defined and transparent risk management framework. These policies and procedures are updated as required.

The Firm is small with an operational infrastructure appropriate to its size. It carries no market risk, other than foreign exchange risk on its accounts receivable in foreign currency, and credit risk from management and performance fees receivable. The Firm follows the standardized approach to market risk and the simplified standard approach to credit risk. The Firm is subject to the Fixed Overhead Requirement and is not required to calculate an operational risk capital charge. The main features of the Firm's capital resources for regulatory purposes are as follows:

Capital item	£
Total capital resources, net of deductions	49,830

The firm is a limited licence firm and as such it has a base capital requirement of €50,000 as per the FSA regulations.

Results and dividends

The results for the year are set out on page 6.

The directors do not recommend payment of an ordinary dividend.

Post balance sheet events

There are no matters to report.

Future developments

There are no matters to report.

Directors

The following directors have held office since 1 January 2008:

Mr Ajay Pabari
Ms Carolyn May
Ms Emma J Wright

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

CASCADE CAPITAL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

Introduction of the euro

The company has assessed the extent of the preparation that it needed to make for the introduction of the euro. It has identified that its systems do not need to be amended to deal with the introduction of the euro.

Auditors

The auditors, Fisher, Sassoon & Marks, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

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 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 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 proper accounting records that 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 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 of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr Ajay Pabari

Director

21/04/2009

CASCADE CAPITAL LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF CASCADE CAPITAL LIMITED

We have audited the financial statements of Cascade Capital Limited for the year ended 31 December 2008 set out on pages 6 to 11. These financial statements have been prepared under the accounting policies set out therein.

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

Respective responsibilities of the 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 in the Statement of Directors' Responsibilities.

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 directors' report 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 directors' report 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.

CASCADE CAPITAL LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF CASCADE CAPITAL LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its loss 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 directors' report is consistent with the financial statements.



Fisher, Sassoon & Marks

21/04/2009

**Chartered Accountants
Registered Auditor**

43-45 Dorset Street
London
W1U 7NA

CASCADE CAPITAL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 £	2007 £
Administrative expenses		(22,692)	(23,298)
Other operating income		-	89
Operating loss	2	(22,692)	(23,209)
Other interest receivable and similar income	3	865	1,639
Loss on ordinary activities before taxation		(21,827)	(21,570)
Tax on loss on ordinary activities	4	2,246	-
Loss for the year	8	(19,581)	(21,570)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

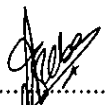
CASCADE CAPITAL LIMITED

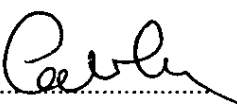
BALANCE SHEET

AS AT 31 DECEMBER 2008

	Notes	2008 £	£	2007 £	£
Current assets					
Debtors	5	22,630		45,297	
Cash at bank and in hand		33,339		29,713	
		<u>55,969</u>		<u>75,010</u>	
Creditors: amounts falling due within one year	6	<u>(6,139)</u>		<u>(5,598)</u>	
Total assets less current liabilities			<u>49,830</u>		<u>69,412</u>
Capital and reserves					
Called up share capital	7	154,050		154,050	
Profit and loss account	8	<u>(104,220)</u>		<u>(84,638)</u>	
Shareholders' funds	9		<u>49,830</u>		<u>69,412</u>

Approved by the Board and authorised for issue on 21/04/2009


.....
Mr. Ajay Pabari
Director


.....
Ms Carolyn May
Director

CASCADE CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.4 Financial Instruments

The company is exempt from the disclosure and presentation requirements under FRS 26 as it is a wholly owned subsidiary and the company is included in publicly available consolidated financial statements of the parent company which include disclosures that comply with this standard.

2	Operating loss	2008	2007
		£	£
	Operating loss is stated after charging:		
	Fees payable to the company's auditor for the audit of the company's annual accounts	2,500	3,000
	and after crediting:		
	Profit on foreign exchange transactions	-	(89)
		<u> </u>	<u> </u>
3	Investment income	2008	2007
		£	£
	Bank interest	865	1,639
		<u> </u>	<u> </u>
		865	1,639
		<u> </u>	<u> </u>

CASCADE CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2008

4	Taxation	2008 £	2007 £
	Domestic current year tax		
	Receipt in respect of group relief	(2,246)	-
	Current tax charge	<u>(2,246)</u>	<u>-</u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	<u>(21,827)</u>	<u>(21,570)</u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2007 - 0.00%)	-	-
	Effects of:		
	Group tax losses utilised	<u>(2,246)</u>	<u>-</u>
	Current tax charge	<u>(2,246)</u>	<u>-</u>

The company has estimated losses of £ 95,569 (2007 - £ 81,375) available for carry forward against future trading profits.

5	Debtors	2008 £	2007 £
	Amounts owed by parent and fellow subsidiary undertakings	21,656	29,801
	Other debtors	45	15,492
	Prepayments and accrued income	<u>929</u>	<u>4</u>
		<u>22,630</u>	<u>45,297</u>

6	Creditors: amounts falling due within one year	2008 £	2007 £
	Trade creditors	-	1,175
	Taxes and social security costs	3,639	2,423
	Accruals and deferred income	<u>2,500</u>	<u>2,000</u>
		<u>6,139</u>	<u>5,598</u>

CASCADE CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

7	Share capital	2008	2007
		£	£
	Authorised		
	10,000,000 Ordinary Shares of £1 each	10,000,000	10,000,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	154,050 Ordinary Shares of £1 each	154,050	154,050
		<u> </u>	<u> </u>
8	Statement of movements on profit and loss account	Profit and loss account	
		£	
	Balance at 1 January 2008		(84,639)
	Loss for the year		(19,581)
			<u> </u>
	Balance at 31 December 2008		(104,220)
			<u> </u>
9	Reconciliation of movements in shareholders' funds	2008	2007
		£	£
	Loss for the financial year	(19,581)	(21,570)
	Opening shareholders' funds	69,412	90,982
		<u> </u>	<u> </u>
	Closing shareholders' funds	49,830	69,412
		<u> </u>	<u> </u>

CASCADE CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2008

10 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2008 Number	2007 Number
Administration	<u>1</u>	<u>1</u>
Employment costs	2008 £	2007 £
Social security costs	<u>37</u>	<u>(114)</u>

11 Control

The reporting entity is owned by Spread Co UK Ltd incorporated in England and Wales. The ultimate holding company is Valiant Holdings Limited, a company incorporated in England and Wales, who prepares consolidated accounts which can be obtained from First Floor North Argyle House, Joel Street, Northwood Hills, Middlesex, HA6 1LN.

12 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

13 Post balance sheet events

There are no matters to report.