

**AVESTUS CAPITAL PARTNERS UK
LIMITED**

FINANCIAL STATEMENTS

31ST DECEMBER 2011

COMPANY REGISTRATION NUMBER 5845839



AVESTUS CAPITAL PARTNERS UK LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2011

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AVESTUS CAPITAL PARTNERS UK LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Olan Cremin
Thomas Dowd
Peter Donnelly
Mark O'Donnell

Company secretary

Hill Street Registrars Limited

Registered office

63 Brook Street
London
W1K4HS
England

Auditor

Grant Thornton
Chartered Accountants
& Statutory Auditor
24 - 26 City Quay
Dublin 2
Ireland

Bankers

Allied Irish Banks plc
10 Berkely Square
London
W1J 6AA
England

AVESTUS CAPITAL PARTNERS UK LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2011

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

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was real estate investment and asset management

The company resigned its authorisation with the Financial Services Authority during 2011

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows

	Class of share	At 31 December 2011	At 1 January 2011
Olan Cremun	Ordinary shares of £0.01 each	37,500,000	37,500,000
Thomas Dowd	Ordinary shares of £0.01 each	37,500,000	37,500,000
Peter Donnelly	Ordinary shares of £0.01 each	37,500,000	37,500,000
Mark O'Donnell	Ordinary shares of £0.01 each	<u>37,500,000</u>	<u>37,500,000</u>

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 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,

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.

AVESTUS CAPITAL PARTNERS UK LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2011

In so far as the directors are aware

there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

AUDITOR


Grant Thornton are deemed to be re-appointed under section 487(2) of the Companies Act 2006

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
63 Brook Street
London
W1K4HS
England

Signed by order of the directors



Hill Street Registrars Limited
Company Secretary

Approved by the directors on 26/6/2012

AVESTUS CAPITAL PARTNERS UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AVESTUS CAPITAL PARTNERS UK LIMITED FOR THE YEAR ENDED 31ST DECEMBER 2011

We have audited the financial statements of Avestus Capital Partners UK Limited for the year ended 31st December 2011 which comprise the Profit and Loss Account, Balance Sheet and the related notes. 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 Directors' Responsibilities Statement set out on pages 2 to 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

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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31st December 2011 and of its loss 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 MATTERS 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.


AVESTUS CAPITAL PARTNERS UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AVESTUS CAPITAL PARTNERS UK LIMITED FOR THE YEAR ENDED 31ST DECEMBER 2011 *(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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



COLIN FEELY (Senior Statutory Auditor)
For and on behalf of
GRANT THORNTON
Chartered Accountants
& Statutory Auditor

24 - 26 City Quay
Dublin 2
Ireland

2nd July 2012

AVESTUS CAPITAL PARTNERS UK LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2011

	Note	2011 £	2010 £
TURNOVER		348,570	744,000
Administrative expenses		(548,902)	(733,038)
OPERATING (LOSS)/PROFIT	2	(200,332)	10,962
Interest receivable		9,281	4,548
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(191,051)	15,510
Tax on (loss)/profit on ordinary activities	4	—	(955)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(191,051)</u>	<u>14,555</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the
year as set out above

The notes on pages 8 to 12 form part of these financial statements.

AVESTUS CAPITAL PARTNERS UK LIMITED

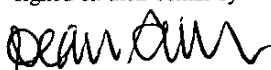
BALANCE SHEET

31ST DECEMBER 2011

	Note	2011 £	£	2010 £	£
FIXED ASSETS					
Tangible assets	5		10,067		13,476
CURRENT ASSETS					
Debtors	6	47,508		113,804	
Cash at bank		599,380		674,037	
		646,888		787,841	
CREDITORS: Amounts falling due within one year	7	639,514		92,825	
NET CURRENT ASSETS			7,374		695,016
TOTAL ASSETS LESS CURRENT LIABILITIES			17,441		708,492
CREDITORS: Amounts falling due after more than one year	8		—		500,000
			17,441		208,492
CAPITAL AND RESERVES					
Called-up equity share capital	11	1,500,000		1,500,000	
Profit and loss account	12	(1,482,559)		(1,291,508)	
SHAREHOLDERS' FUNDS	13		17,441		208,492

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These financial statements were approved by the directors and authorised for issue on 26/6/2012, and are signed on their behalf by



Olan Cremin
Director

Company Registration Number 5845839

The notes on pages 8 to 12 form part of these financial statements

AVESTUS CAPITAL PARTNERS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2011

1 ACCOUNTING POLICIES

Basis of accounting

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

Cash flow statement

The directors have availed of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings	- 3 years
Computer software	- 3 years

2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging

	2011 £	2010 £
Directors' remuneration	-	-
Depreciation of owned fixed assets	8,409	9,116
Auditor's fees	5,500	8,000

AVESTUS CAPITAL PARTNERS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2011

3 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2011 No	2010 No
Fund management	2	2
Administration/compliance	2	2
	<u>4</u>	<u>4</u>

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	317,175	343,849
Social security costs	31,364	32,134
Other pension costs	26,963	25,673
Pensions paid to former employees	—	30,000
	<u>375,502</u>	<u>431,656</u>

4. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2011 £	2010 £
Current tax		
UK Corporation tax based on the results for the year at 21% (2010 - 21%)	—	955
Total current tax	<u>—</u>	<u>955</u>

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21% (2010 - 21%)

	2011 £	2010 £
(Loss)/profit on ordinary activities before taxation	<u>(191,051)</u>	<u>15,510</u>
(Loss)/profit on ordinary activities by rate of tax	(40,121)	3,257
Depreciation in excess of capital allowances	972	(2,361)
Other expenditure which is disallowable	183	6,586
Unutilised trading losses	40,915	(6,527)
Taxed income at higher rate	<u>(1,949)</u>	<u>—</u>
Total current tax (note 4(a))	<u>—</u>	<u>955</u>

AVESTUS CAPITAL PARTNERS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2011

5 TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Computer Software £	Total £
COST			
At 1st January 2011	20,000	7,624	27,624
Additions	5,000	–	5,000
At 31st December 2011	<u>25,000</u>	<u>7,624</u>	<u>32,624</u>
DEPRECIATION			
At 1st January 2011	6,600	7,548	14,148
Charge for the year	8,333	76	8,409
At 31st December 2011	<u>14,933</u>	<u>7,624</u>	<u>22,557</u>
NET BOOK VALUE			
At 31st December 2011	<u>10,067</u>	<u>–</u>	<u>10,067</u>
At 31st December 2010	<u>13,400</u>	<u>76</u>	<u>13,476</u>

6. DEBTORS

	2011 £	2010 £
Trade debtors	–	16,434
Corporation tax repayable	7,180	6,225
VAT recoverable	–	52,293
Other debtors	17,000	17,000
Prepayments and accrued income	23,328	21,852
	<u>47,508</u>	<u>113,804</u>

7 CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Trade creditors	2,231	29,971
Amounts owed to group undertakings	130,619	46,782
Other creditors including taxation and social security		
PAYE and social security	–	275
VAT	361	–
Subordinated loan	500,000	–
Accruals and deferred income	6,303	15,797
	<u>639,514</u>	<u>92,825</u>

AVESTUS CAPITAL PARTNERS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2011

8 CREDITORS: Amounts falling due after more than one year

	2011 £	2010 £
Subordinated loan	<u>—</u>	<u>500,000</u>

9. TRANSACTIONS WITH THE DIRECTORS

The directors and their interest in the share capital of the company were as follows

	Ordinary Shares of £0.01 each as at 31/12/11
Peter Donnelly	37,500,000
Olan Cremin	37,500,000
Thomas Dowd	37,500,000
Mark Donnelly	37,500,000

During the period rights to subscribe to the shares in or debentures of the company have not been granted to, or exercised by, any director or a member of his immediate family

10 RELATED PARTY TRANSACTIONS

Avestus Capital Partners UK Limited has a credit balance to the value of £62,226 (2010 £62,226) with related party Quinlan Partnership Avestus Capital Partners UK Limited has a credit balance to the value of £68,393 (2010 £15,444 receivable) with related party Avestus Capital Partners The company is related by virtue of common directors/partners

Avestus Capital Partners UK Limited has a loan to the value of £500,000 with related party Quinlan Partnership

AVESTUS CAPITAL PARTNERS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2011

11. SHARE CAPITAL

Authorised share capital:

	2011 £	2010 £
36,000,000 A Ordinary shares	360,000	360,000
36,000,000 B Ordinary shares	360,000	360,000
36,000,000 C Ordinary shares	360,000	360,000
36,000,000 D Ordinary shares	360,000	360,000
36,000,000 E Ordinary shares	360,000	360,000
	<u>1,800,000</u>	<u>1,800,000</u>

Allotted, called up and fully paid:

	2011 No	£	2010 No	£
A Ordinary shares	30,000,000	300,000	30,000,000	300,000
B Ordinary shares	30,000,000	300,000	30,000,000	300,000
C Ordinary shares	30,000,000	300,000	30,000,000	300,000
D Ordinary shares	30,000,000	300,000	30,000,000	300,000
E Ordinary shares	30,000,000	300,000	30,000,000	300,000
	<u>150,000,000</u>	<u>1,500,000</u>	<u>150,000,000</u>	<u>1,500,000</u>

12. PROFIT AND LOSS ACCOUNT

	2011 £	2010 £
Balance brought forward	(1,291,508)	(1,306,063)
(Loss)/profit for the financial year	(191,051)	14,555
Balance carried forward	<u>(1,482,559)</u>	<u>(1,291,508)</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
(Loss)/Profit for the financial year	(191,051)	14,555
Opening shareholders' funds	208,492	193,937
Closing shareholders' funds	<u>17,441</u>	<u>208,492</u>