

REGISTRAR OF COMPANIES

Butler Management Limited

Financial Statements

For the year ended 31 December 2011

Company Registration Number
07067426 (England and Wales)



Directors	W Butler L Nolan
Registered office	4 th Floor, 11 Hanover Street London W1S 1YQ
Registered number	07067426 (England and Wales)
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Private Bank (UK) Limited 78 St James's Street London SW1A 1JB

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Directors' report and statement of directors' responsibilities Year ended 31 December 2011

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

Principal activity

The principal activity of the company in the period under review was to invest in long and short term investments with a focus on investments in European credit and fixed income

Review of business and future developments

A summary of the results of the year's trading is given on page 6 of the financial statements. The directors consider the results to be satisfactory and anticipate continued growth in the future.

Financial risk management objectives and policies

The company's activities expose it to a number of financial risks including market risk, credit risk and liquidity risk. The company does not use any financial derivatives to manage these risks.

Market risk

Market risk results from the uncertainty about the future prices of financial instruments held and consists of price, currency and interest rate risk. The risks impacting the Company are

Price risk this is the risk that the fair value of the financial assets held will fluctuate as a result of market factors other than interest rate or currency risk and may be caused by factors specific to an individual investment, its issues or affecting the whole market. This is not regarded as significant since investments are generally made with a view to hold them until maturity and where this is not the case the risk is knowingly assumed and managed.

Currency risk The Company may invest in securities and receive income denominated in currencies other than its reporting currency. Consequently the Company is exposed to the risk that the exchange rate of this currency relative to other currencies may change in a manner which may have a favourable or unfavourable effect on the value of the assets which are denominated in currencies other than the reporting currency. This FX risk is not usually hedged if the exposure is to major currencies. For more exotic currencies consideration would be given to hedging such exposure through the use of spot and forward foreign exchange contracts or other methods used to reduce currency exposure. As at the year end the only exposure was to major currencies – GBP and USD.

Directors' report and statement of directors' responsibilities Year ended 31 December 2011

Financial risk management objectives and policies (continued)

Credit risk

The Company's principal assets are the financial assets at fair value through profit and loss. The main risk for these is credit risk – this is the risk that the Company recovers less proceeds (through interest and debt repayment) from the issuer of a financial asset than the initial purchase price. The Company's credit risk management approach is based on three key areas:

- Strict investment selection criteria (including assessment of value, downside risk and capital preservation),
- Investment diversification (encompassing specific company, sector, geographic risk), and
- Active ongoing monitoring of portfolio risk and market factors,

The Company also holds cash and bank balances and the credit risk on these liquid funds is considered to be limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Liquidity risk

In order to maintain liquidity and to ensure that sufficient funds are available for meeting the working capital requirements, the company may invest any surplus cash in short-term bank deposits.

Dividends

The directors did not recommend payment of a dividend.

Directors

The directors in office during the year and to the date of signing the financial statements were as follows:

W Butler
L Nolan

Directors' report and statement of directors' responsibilities Year ended 31 December 2011

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and 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 International Financial Reporting Standard (IFRSs) as adopted by the European Union. 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 judgements and estimates that are reasonable and prudent,
- ◆ state whether applicable International Financial Reporting 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.

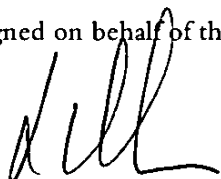
The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the directors confirms that

- ◆ so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- ◆ the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Signed on behalf of the board



L Nolan
Director

27 September 2012

Independent auditor's report Year ended 31 December 2011

Independent auditor's report to the members of Butler Management Limited

We have audited the financial statements of Butler Management Limited for the year ended 31 December 2011, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditors

As explained more fully in the Statement of directors' responsibilities set out in the Directors' report, 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 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 profit for the year then ended,
- ◆ have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006

Independent auditor's report Year ended 31 December 2011

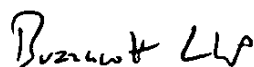
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period 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



Peter Chapman
Senior Statutory Auditor
for and on behalf of Buzzacott LLP
Statutory Auditor, Chartered Accountants
130 Wood Street
London
EC2V 6DL
27 September 2012

Statement of comprehensive income Year ended 31 December 2011

		Year ended 31 December 2011	Period from 5 November 2009 to 31 December 2010
	Notes	€	€
Revenue			
Investment income			
Net realised gains on financial assets at fair value through profit or loss		1,973,532	1,719,895
Interest income on financial assets at fair value through profit or loss		324,601	712,074
Other gains/(losses) – net	2	532,122	1,839,558
Total income		2,830,255	4,271,527
Administrative expenses		(734,203)	(1,534,891)
Operating profit	3	2,096,052	2,736,636
Finance costs		(467,835)	(574,738)
Profit before tax		1,628,217	2,161,898
Income tax expense	4	(128,815)	(56,922)
Profit for the year/period	9	1,499,402	2,104,976

All of the company's activities derived from continuing operations during the above financial periods

The accompanying notes on pages 10 to 18 form an integral part of these financial statements

Statement of financial position At 31 December 2011

		Year ended 31 December 2011	Period from 5 November 2009 to 31 December 2010
	Notes	€	€
ASSETS			
Current assets			
Trade and other receivables	5	67,329	293,330
Cash and cash equivalents	6	334,894	1,113,667
Financial assets at fair value through profit or loss	7	13,751,538	15,006,520
		<u>14,153,761</u>	<u>16,413,517</u>
Total assets		<u>14,153,761</u>	<u>16,413,517</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	8	111	111
Retained earnings	9	3,604,378	2,104,976
Total equity		<u>3,604,489</u>	<u>2,105,087</u>
Current liabilities			
Trade and other payables	10	10,420,909	14,251,508
Current income tax liability		128,363	56,922
		<u>10,549,272</u>	<u>14,308,430</u>
Total liabilities		<u>10,549,272</u>	<u>14,308,430</u>
Total equity and liabilities		<u>14,153,761</u>	<u>16,413,517</u>

The financial statements were approved by the Board of Directors and signed on its behalf by



L Nolan
Director

27 September 2012

The accompanying notes on pages 10 to 18 form an integral part of these financial statements

Butler Management Limited

Company registration number: 07067426 (England and Wales)

Statement of changes in equity Year ended 31 December 2011

	Share Capital €	Retained Earnings €	Total €
Changes in equity for the period to 31 December 2011			
Balance at 31 December 2010	111	2,104,976	2,105,087
Profit for the period	—	1,499,402	1,499,402
Balance at 31 December 2011	111	3,604,378	3,604,489

The accompanying notes on pages 10 to 18 form an integral part of these financial statements

Statement of cash flows Year ended 31 December 2011

	Notes	Year ended 31 December 2011 €	Period from 5 November 2009 to 31 December 2010 €
Cash flows from operating activities			
Cash generated from operations	11	2,070,795	1,401,953
Income tax paid		(57,374)	—
Net cash generated from operating activities		2,013,421	1,401,953
Cash flows from investing activities			
Sale/(purchase) of marketable securities		722,844	(13,166,962)
Net cash generated from/(used in) investing activities		722,844	(13,166,962)
Cash flows from financing activities			
Net (decrease)/increase in borrowings		(2,832,847)	12,878,720
Interest paid		(682,191)	(44)
Net cash (used in)/generated from financing activities		(3,515,038)	12,878,676
Net (decrease)/increase in cash and cash equivalents		(778,773)	1,113,667
Cash and cash equivalents at beginning of period		1,113,667	—
Cash and cash equivalents at end of period		334,894	1,113,667

The accompanying notes on pages 10 to 18 form an integral part of these financial statements

Notes to the financial statements Year ended 31 December 2011

1 General information and significant accounting policies

GENERAL INFORMATION

Butler Management Limited is a private limited company incorporated in England and Wales under the Companies Act 2006. The address of its registered office and its principal place of trading is 11-12 Hanover Street, London, W1S 1YQ. The principal activity of the company is described in the directors' report.

SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, IFRIC Interpretations and those parts of the Companies Act 2006 applicable to companies reporting under IFRSs.

Basis of preparation

The financial statements are prepared on the historical cost basis and the accounting policies set out below have been applied. The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The significant accounting policies of the company remain unchanged from the previous period and are set out below.

Revenue

The company makes and holds investments.

Revenue is considered to be the realised gains on financial assets at fair value through profit or loss, interest income on financial assets at fair value through profit or loss and other gains/(losses). Other gains/(losses) includes the revaluation of the investment in WB Opportunities fund to market value and revaluation of other financial assets at fair value through profit or loss to market value.

Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Notes to the financial statements Year ended 31 December 2011

1 General information and significant accounting policies (continued)

Current and deferred income tax (continued)

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise, they are classified as non-current.

Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expenses in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

Gains or losses arising from changes in the fair value of the 'financial assets' at fair value through profit or loss' category are presented in the income statement within 'other income'.

Trade payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

Notes to the financial statements Year ended 31 December 2011

1 General information and significant accounting policies (continued)

Financial liabilities

Financial liabilities are recognised initially at fair value and subsequently measured at amortised cost

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Foreign currencies

The directors believe Euros best represents the functional currency of the company. Therefore the books and records are maintained in Euros and, for the purpose of the financial statements, the results and financial position are presented in Euros.

Monetary assets and liabilities in foreign currencies are translated into Euros at the rates of exchange at the balance sheet date. Transactions in foreign exchange are translated into Euros at the rate of exchange at the date of the transaction. Exchange differences are charged to the Statement of Comprehensive Income.

Provisions

Provisions for legal claims are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and all other cash amounts with maturities of three months or less.

Share capital

Ordinary shares are classified as equity. Any incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Notes to the financial statements Year ended 31 December 2011

1 General information and significant accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

ADOPTION OF NEW AND REVISED STANDARDS

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the International Accountancy Standards Board (the IASB) and the International Financial Reporting Interpretations Committee (the IFRIC) of the IASB that are relevant to its operations and effective for reporting periods beginning on 1 January 2011.

These include

- ◆ IAS 32 Financial Instruments Presentation – Amendments relating to classification of rights issues - Effective for annual periods beginning on or after 1 February 2010
- ◆ IAS 27 Consolidated and Separate Financial Statements – Amendments resulting from May 2010 Annual Improvements to IFRSs - Effective for annual periods beginning on or after 1 July 2010
- ◆ IFRS 3 Business combination – Amendments resulting from May 2010 Annual improvement to IFRSs – Effective for annual periods beginning on or after 1 July 2010
- ◆ IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments – Effective for annual periods beginning on or after 1 July 2010
- ◆ IFRS 7 Financial Instruments Disclosures - Amendments resulting from May 2010 Annual Improvements to the IFRSs - Effective for annual periods beginning on or after 1 January 2011
- ◆ IAS 1 Presentation of Financial Statements – Amendments resulting from May 2010 Annual Improvements to IFRSs - Effective for annual periods beginning on or after 1 January 2011
- ◆ IAS 24 Related Party Disclosures – Revised definition of related parties – Effective for annual periods beginning on or after 1 January 2011

Notes to the financial statements Year ended 31 December 2011

ADOPTION OF NEW AND REVISED STANDARDS (continued)

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective

- ◆ IFRS 7 Financial Instruments Disclosures – Amendments enhancing disclosures about transfers of financial assets – Effective for annual periods beginning on or after 1 July 2011
- ◆ IAS 12 Income Taxes – Limited Scope amendment (recovery of underlying assets) – Effective for annual periods beginning on or after 1 January 2012
- ◆ IFRS 9 Financial Instruments – Classification and Measurement – Effective for annual periods beginning on or after 1 January 2013
- ◆ IFRS 10 Consolidated Financial Statements – Effective for annual periods beginning on or after 1 January 2013
- ◆ IFRS 11 Joint Arrangements – Effective for annual periods beginning on or after 1 January 2013
- ◆ IFRS 12 Disclosure of Interests in Other Entities – Effective for annual periods beginning on or after 1 January 2013
- ◆ IFRS 13 Fair Value Measurement – Effective for annual period beginning on or after 1 January 2013
- ◆ Amendments to IAS 1 Presentation of Items of Other Comprehensive Income – Effective for annual periods beginning on or after 1 July 2012
- ◆ IAS 19 (as revised in 2011) Employee Benefits – Effective for annual periods beginning on or after 1 January 2013
- ◆ IAS 27 (as revised in 2011) Separate Financial Statements – Effective for annual periods beginning on or after 1 January 2013
- ◆ IAS 28 (as revised in 2011) Investments in Associates and Joint Ventures – Effective for annual periods beginning on or after 1 January 2013

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the company

Notes to the financial statements Year ended 31 December 2011

2 Other gains/(losses) – net

	Year ended 31 December 2011 €	Period from 5 November 2009 to 31 December 2010 €
Financial assets at fair value through profit or loss (note 7)		
- Unrealised fair value losses	(551,178)	(101,460)
- Unrealised fair value gains	1,083,300	1,941,018
	532,122	1,839,558

3 Operating profit

This is stated after charging/(crediting)	Year ended 31 December 2011 €	Period from 5 November 2009 to 31 December 2010 €
Auditor's remuneration – Audit services	8,072	8,132
– Taxation services	1,500	1,743
– Non-audit services	15,920	15,503
Foreign exchange differences	(86,172)	131,092

4 Income tax expense

The tax charge on the profit on ordinary activities for the year was as follows

	Year ended 31 December 2011 €	Period from 5 November 2009 to 31 December 2010 €
Profit for continuing operations	1,628,217	2,161,898
Tax at the applicable rate of 26.49% (2011: 27.77%)	431,366	600,407
Tax effect of non taxable income	(282,065)	(539,021)
Group relief claimed	(25,507)	—
Marginal relief	—	(4,464)
Current tax charge on profits for the year/period	123,794	56,922
Current tax (current period) exchange difference arising on movement between opening and closing spot rates	4,567	—
Under provision for tax in prior period	454	—
Total current tax charge	128,815	56,922
Income tax expense	128,815	56,922

Notes to the financial statements Year ended 31 December 2011

5 Trade and other receivables

	2011 €	2010 €
Accrued income	61,122	293,219
Other receivables	6,207	111
	67,329	293,330

6 Cash and cash equivalents

	2011 €	2010 €
Cash at bank and in hand	334,894	1,113,667
	334,894	1,113,667

The credit risk on liquid funds is considered to be limited because the counterparties are banks with an investment grade credit rating assigned by international credit rating agencies

7 Financial assets at fair value through profit or loss

	2011 €	2010 €
Investments	13,751,538	15,006,520
	13,751,538	15,006,520

The directors consider that the carrying amount of financial assets recorded at market value in the financial statements approximate their value

8 Share capital

	Allotted, called up and fully paid	
	2011 €	2010 €
100 ordinary shares of £1 each	111	111

Each share entitles the holder to one vote

Notes to the financial statements Year ended 31 December 2011

9 Retained earnings

	2011 €	2010 €
At 1 January	2,104,976	—
Profit for the year/period	1,499,402	2,104,976
At 31 December	3,604,378	2,104,976

10 Trade and other payables

	2011 €	2010 €
Current liabilities		
Trade payables	—	580,000
Accruals	14,698	218,094
Amounts due to group undertakings	10,406,211	13,453,414
	10,420,909	14,251,508

Trade payables and accruals relate to amounts payable at the balance sheet date for services received during the period

The company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe

11 Cash generated from operations

	Year ended 31 December 2011 €	Period from 5 November 2009 to 31 December 2010 €
Profit before interest and tax	2,096,052	2,736,636
Decrease/(increase) in fair value of investments	532,138	(1,839,558)
Decrease/(increase) in trade and other receivables	226,001	(293,219)
(Decrease)/increase in trade and other payables	(783,396)	798,094
Cash generated from operations	2,070,795	1,401,953

Increase/(decrease) in trade and other payables excludes amounts due to related parties

Notes to the financial statements Year ended 31 December 2011

12 Related party transactions

The immediate and ultimate controlling party of Butler Management Limited is WB Finance et Partenaires SA, a company incorporated in France

Details of transactions between the company and related parties are disclosed below
Transactions with related parties were made on an arm's length basis

The company has a loan from WB Finance et Partenaires. During the year, the company repaid €2,900,000 to WB Finance et Partenaires (2010 received €11,996,050). Interest at 4% per annum is payable on the loan. The total interest accrued at the end of the period is €467,835 (2010 €574,694). The amount outstanding (including interest) at the period end was € 9,563,885 (2010 €12,570,744).

Also during the year, the company incurred charges of €842,326 (£737,162) (2010 €1,162,167 (£975,442)) payable to Butler Investment Managers Limited, which owns 49% of the share capital of Butler Management Limited, in relation to investment advisory services provided and for expenses paid on its behalf. At the period end €842,326 (£737,198) (2010 €882,668 (£775,842)) was outstanding. No interest is due on these amounts.