

ARMA PARTNERS LLP
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2009

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ARMA PARTNERS LLP

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ARMA PARTNERS LLP

DESIGNATED MEMBERS AND ADVISERS

Designated members	P N R D Guely J Meehan D Sola
Registered office	11 Berkeley Street London W1J 8DS
Bankers	HSBC plc 90 Baker Street London W1U 6AX
Auditors	Nexia Smith & Williamson Chartered Accountants 25 Moorgate London EC2R 6AY
Registered number	OC307424

ARMA PARTNERS LLP

MEMBERS' REPORT

The members present their report and the accounts for the year ended 31 March 2009.

Activities

The principal activity of the LLP continues to be the provision of corporate advisory services as authorised by the Financial Services Authority.

Review of business

In the opinion of the members the state of the LLP's affairs at 31 March 2009 is satisfactory and they look forward to the future with confidence.

Results for the year and allocation to members

The profit for the year available for distribution to members was £2,379,271 (2008: £2,262,943).

Designated members

The following were designated members during the year:

A de Courcy Ling (Resigned 1 April 2008)
P N R D Guely
J Meehan
B Skiba
D Sola (Appointed 1 April 2008)
V L Basta (Resigned 1 April 2008)

B Skiba resigned on 1 April 2009. T G Wells and J Schroder were appointed on 1 April 2009.

Policy with respect to members drawings and subscription and repayment of members' capital

The members participate fully in the profits, share the risks and subscribe to the capital of the Limited Liability Partnership.

Members receive drawings by way of regular monthly payments but take into account the need to maintain sufficient funds to finance working capital and other needs of the business. The final division of profits to members is made once the annual financial statements are approved.

The members' interests in the capital and profits of Arma Partners LLP are disclosed on page 8. None of the members is entitled to interest on the capital subscribed.

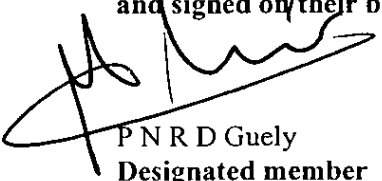
Pillar 3 disclosure

Pillar 3 disclosures are available on request from the LLP's registered office.

Auditors

A resolution to reappoint Nexia Smith & Williamson as auditors will be proposed at the next members' meeting.

**Approved by the members
and signed on their behalf**



P N R D Guely
Designated member

Dated: 22/07/09

ARMA PARTNERS LLP

Statement of members' responsibilities in respect of the accounts

Legislation applicable to Limited Liability Partnerships requires the members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing those accounts, the members 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 departure disclosed and explained in the accounts;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the accounts comply with the Limited Liability Partnerships Regulations. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Nexia Smith & Williamson

Independent auditors' report to the members of Arma Partners LLP

We have audited the accounts of Arma Partners LLP for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Members' Interests, the Cash Flow Statement and supporting notes a to c, together with the related notes 1 to 12. These accounts have been prepared under the accounting policies set out therein.

This report is made solely to the members, as a body, in accordance with Section 235 of the Companies Act 1985 as applicable to Limited Liability Partnerships. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As described in the Statement of Members' Responsibilities, the designated members are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts 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 accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985 as applicable to Limited Liability Partnerships. We also report to you if, in our opinion, the Members' Report is not consistent with the accounts, if the LLP has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law regarding members' remuneration and transactions with the LLP is not disclosed.

We read the Members' 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 accounts. It also includes an assessment of the significant estimates and judgements made by the members in the preparation of the accounts, and of whether the accounting policies are appropriate to the LLP'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 accounts 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 accounts.

Opinion

In our opinion the accounts

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the LLP's affairs as at 31 March 2009 and of the profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985 as applicable to Limited Liability Partnerships.

Nexia Smith & Williamson

Nexia Smith and Williamson
Chartered Accountants
Registered Auditors

25 Moorgate
London
EC2R 6AY

Date: *23 July 2009*

ARMA PARTNERS LLP

PROFIT AND LOSS ACCOUNT for the year ended 31 MARCH 2009

	Notes	2009 £	2008 £
Turnover	1, 2	6,592,649	5,306,932
Operating expenses		(4,272,659)	(3,146,570)
Operating profit	3	2,319,990	2,160,362
Interest receivable	4	59,281	102,581
Profit for the financial year available for discretionary division among members		2,379,271	2,262,943

All of the LLP's operations are classed as continuing. There were no gains or losses in either year other than those included in the above profit and loss account.

ARMA PARTNERS LLP

BALANCE SHEET as at 31 MARCH 2009

	Notes	2009 £	2008 £
Fixed assets			
Tangible fixed assets	7	30,590	44,291
Current assets			
Debtors	8	1,047,800	771,545
Cash at bank		2,771,926	2,600,801
		3,819,726	3,372,346
Creditors: amounts falling due within one year	9	(1,207,264)	(1,003,955)
Net current assets		2,612,462	2,368,391
Net assets attributable to members		2,643,052	2,412,682
Represented by:			
Loans and other debts due to members within one year			
Other amounts due to members		481,167	199,739
Members' capital classified as a liability under FRS 25		613,781	781,167
		1,094,948	980,906
Equity			
Members' other interests – other reserves classified as equity under FRS 25		1,548,104	1,431,776
		2,643,052	2,412,682
Total members' interests			
Loans and other debts due to members		481,167	199,739
Members' capital classified as a liability under FRS 25		613,781	781,167
Members' other interests		1,548,104	1,431,776
		2,643,052	2,412,682

The accounts were approved by the members on 22/03/09 and were signed on its behalf by:

P N R D Gueley
Designated member

ARMA PARTNERS LLP

RECONCILIATION OF MEMBERS' INTERESTS for the year ended 31 MARCH 2009

	Members' equity interest			Loans and other debts due to members		
	Members' capital	Other reserves	Total	Members' capital classified as a liability	Other amounts	Total
	£	£	£	£	£	£
Members' interests at 5 April 2007	-	1,572,003	1,572,003	813,936	(393,788)	420,148
Capital contributions	-	(170,231)	(170,231)	170,231	-	170,231
Profit for the financial period available for division among members	-	2,262,943	2,262,943	-	-	-
Allocation of profits	-	(2,232,939)	(2,232,939)	-	2,232,939	2,232,939
Drawings	-	-	-	-	(1,639,412)	(1,639,412)
Capital repayments	-	-	-	(203,000)	-	(203,000)
Members' interests at 1 April 2008	-	1,431,776	1,431,776	781,167	199,739	980,906
Capital contributions	-	-	-	336,753	-	336,753
Profit for the financial year available for division among members	-	2,379,271	2,379,271	-	-	-
Allocation of profits	-	(2,262,943)	(2,262,943)	-	2,262,943	2,262,943
Drawings	-	-	-	-	(1,981,515)	(1,981,515)
Capital repayments	-	-	-	(504,139)	-	(504,139)
Members' interests at 31 March 2009	-	1,548,104	1,548,104	613,781	481,167	1,094,948
						2,643,052

ARMA PARTNERS LLP

CASH FLOW STATEMENT for the year ended 31 MARCH 2009

	Notes	2009 £	2008 £
Net cash inflow from operating activities	a	2,284,428	2,032,488
Returns on investments and servicing of finance			
Interest received		59,281	102,581
Capital expenditure			
Payments to acquire tangible fixed assets		(23,683)	(22,644)
Transactions with members			
Capital repayments to members		(504,139)	(203,000)
Capital contributed by members		336,753	-
Members drawings		(1,981,515)	(1,639,412)
Net cash outflow from transactions with members		(2,148,901)	(1,842,412)
Increase in cash in the year	b, c	171,125	270,013

ARMA PARTNERS LLP

NOTES TO THE CASH FLOW STATEMENT for the year ended 31 MARCH 2009

a	Reconciliation of operating profit to net cash inflow from operating activities	2009 £	2008 £	
	Operating profit	2,319,990	2,160,362	
	Depreciation	37,384	59,279	
	(Increase) /decrease in debtors	(276,255)	93,733	
	Increase/(decrease) in creditors	203,309	(280,886)	
		<hr/>	<hr/>	
	Net cash inflow from operating activities	2,284,428	2,032,488	
		<hr/>	<hr/>	
b	Reconciliation of net cash flow to movement in net funds	2009 £	2008 £	
	Increase in cash in the year	171,125	270,013	
	Net funds at 1 April 2008	2,771,926	2,330,788	
		<hr/>	<hr/>	
	Net funds at 31 March 2009	2,691,889	2,600,801	
		<hr/>	<hr/>	
c	Analysis of change in net funds	At 1 April 2008 £	Cash flow £	At 31 March 2009 £
	Cash at bank	2,600,801	171,125	2,771,926

ARMA PARTNERS LLP

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009

1 Accounting policies

The accounts have been prepared in accordance with applicable accounting standards and the requirements of the Statement of Recommended Practice 'Accounting by limited liability partnerships'. A summary of the more significant accounting policies adopted are described below.

Basis of accounting

The accounts have been prepared under the historical cost convention.

Fixed assets

Depreciation is provided on cost, less estimated residual value, in equal annual instalments over the estimated useful lives of the assets concerned. The following annual rates are used:

Fixtures and fittings	-	5 years
Office equipment	-	4 years
Computer equipment	-	3 years

Capital, allocation of profits and drawings

Each member's capital account includes the amount initially contributed by the member to the LLP and any subsequent capital contributions. As outgoing members are entitled to the return of the credit of their capital account, these balances have been classified as a liability under FRS 25.

Members receive drawings by way of regular monthly payments but take into account the need to maintain sufficient funds to finance working capital and other needs of the business. The final division of profits to members is made once the annual financial statements are approved. As profits for the year are therefore undivided as at the balance sheet date, these amounts are classified as equity under FRS 25.

Pensions

Members of Arma Partners LLP are required to make their own provision for pensions by contributing to personal pension plans. The LLP participates in a defined contributions pension scheme for the benefit of its employees. Contributions payable to the defined contribution scheme in respect of the accounting year are charged to the Profit and Loss Account.

Leases

Rental costs under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

ARMA PARTNERS LLP

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 *(continued)*

1 Accounting policies (continued)

Foreign currencies

Transactions denominated in a foreign currency are translated into Sterling at the rate of exchange ruling at the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the profit and loss account.

Turnover

Turnover represents fees receivable and recoverable expenses, net of VAT, for corporate advisory services during the year.

Taxation

Members are personally liable for taxation on the share of their profits. Consequently no reserve for taxation is made in these accounts.

2	Turnover	2009 £	2008 £
	United Kingdom	3,035,347	2,888,929
	Overseas	3,557,302	2,418,003
		<hr/>	<hr/>
		6,592,649	5,306,932
		<hr/>	<hr/>
3	Operating profit is stated after charging:	2009 £	2008 £
	Depreciation	37,384	59,279
	Foreign exchange loss	39,984	3,132
	Auditors remuneration		
	- Audit services	12,500	13,500
	- Tax services	5,500	5,000
	- Other services	9,214	28,645
	Operating lease payments		
	- Land and buildings	134,098	134,098
		<hr/>	<hr/>
4	Interest receivable	2009 £	2008 £
	Bank and other interest receivable	59,281	102,581
		<hr/>	<hr/>

ARMA PARTNERS LLP

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 *(continued)*

5 Information in relation to members

	2009 Number	2008 Number
The average number of members during the year was:	4	5
Profits are divided among the members in accordance with established profit sharing arrangements.	£	£
The amount of profit attributable to the member with the largest entitlement was:	831,683	983,108

6 Employee information

The average number of persons employed by the LLP during the year was:

	2009 Number	2008 Number
Advisory	9	9
Administration	1	1
	10	10
	£	£
Wages and salaries	1,299,920	1,314,622
Social security costs	162,018	162,478
Pension costs	12,484	13,642
	1,474,422	1,490,742

ARMA PARTNERS LLP

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 *(continued)*

7 Tangible fixed assets

	Computer equipment £	Office equipment £	Fixtures & fittings £	Total £
Cost				
At 1 April 2008	116,467	113,854	90,367	320,688
Additions	23,683	-	-	23,683
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2009	140,150	113,854	90,367	344,371
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2008	91,972	112,411	72,014	276,397
Charge for the year	18,444	867	18,073	37,384
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At 31 March 2009	110,416	113,278	90,087	313,781
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2009	29,734	576	280	30,590
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2008	24,495	1,443	18,353	44,291
	<hr/>	<hr/>	<hr/>	<hr/>

ARMA PARTNERS LLP

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 *(continued)*

8 Debtors

	2009 £	2008 £
Trade debtors	940,438	536,848
Other debtors	17,254	171,078
Prepayments	90,108	63,619
	<hr/>	<hr/>
	1,047,800	771,545
	<hr/>	<hr/>

9 Creditors: amounts falling due within one year

	2009 £	2008 £
Trade creditors	140,183	47,454
Other creditors including social security and taxation	252,010	41,782
Accruals and deferred income	727,270	839,891
Amounts due to related parties	87,801	74,828
	<hr/>	<hr/>
	1,207,264	1,003,955
	<hr/>	<hr/>

10 Operating lease commitments

At 31 March 2009 the LLP had annual commitments under a non-cancellable operating lease as set out below.

	Land and buildings	
	2009 £	2008 £
For leases expiring:		
Between two and five years	157,763	157,763
	<hr/>	<hr/>

11 Related parties

Included within the results for the year is an amount of £608,602 (2008: £486,673) in respect of services provided by Arma Partners LLC (an entity incorporated in Delaware), on behalf of Arma Partners LLP. The members of Arma Partners LLP are all shareholders of Arma Partners LLC. £87,801 was outstanding as at 31 March 2009 (2008: £74,828).

12 Contingent liabilities

At 31 March 2009 the LLP had no contingent liabilities (2008: £nil).