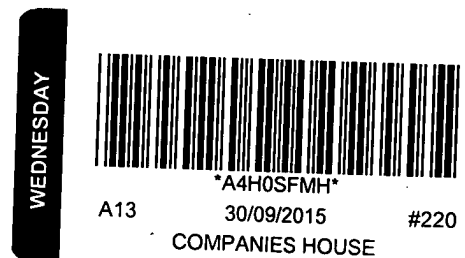


MONTAGU PRIVATE EQUITY ASSOCIATES LLP

**Members' report and audited financial statements for the
year ended 31 December 2014**



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Members' report

The members present their report and financial statements for the year ended 31 December 2014.

Principal Activities

The principal activity of the partnership is the provision of consultancy services.

Members

The Members of the Partnership throughout the year ended 31 December 2014 (unless otherwise stated) were:

Montagu Private Equity LLP
MPE Associateco Limited
V. G. J. Schwegmann
M. McCourt
P. A. L. Lebreton
A. J. Bowkett
J. Dove (Joined: 01/09/2014)

Montagu Private Equity LLP is the Designated Member. The average monthly number of members during the year was six.

Members' Capital

Under the terms of the Members' Agreement, each Member subscribes a sum of capital based on their ownership percentage. Total capital contributions of €2 are paid up by the Members as permanent capital as classified by FRS 25.

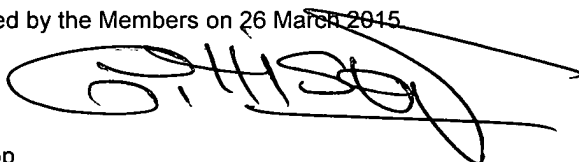
Members' Profits and Losses

Members' profits and losses are allocated between them based on the LLP agreement. An amount is paid each month, subject to certain conditions, and any surplus is dealt with in accordance with the LLP agreement and using members' ownership percentages.

Independent auditor

KPMG LLP have expressed willingness to continue to act as auditor for the year.

Approved by the Members on 26 March 2015



G. Hislop
Representing Designated Member Montagu Private Equity LLP

Registered No. OC339798

Statement of Members' responsibilities in respect of the Members' report and the financial statements

The members are responsible for preparing the Members' Report and financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members 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 LLP and of the profit or loss of the LLP for that year. In preparing the financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 LLP will continue in business.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Montagu Private Equity Associates LLP

We have audited the financial statements of Montagu Private Equity Associates LLP for the year ended 31 December 2014 set out on pages 6 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). This report is made solely to the members of the limited liability partnership (LLP), as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. 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 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 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 auditor

As explained more fully in the Members' Responsibilities Statement set out on page 4, the members 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 Practice Board'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 Financial Reporting Council's website at www.frc.org.uk/auditscopeprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, of the state of affairs of the LLP as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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 as applied to limited liability partnerships 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
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Iain Bannatyne (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London, E14 5GL
26 March 2015

Profit and Loss Account
For the year ended 31 December 2014

| | Notes | 2014 € | 2013 € |
|---|-------|---------------------------|-----------------------|
| Fee income | 1 | 3,092,475 | 4,528,445 |
| Operating costs | 2 | <u>(1,909,850)</u> | <u>(998,454)</u> |
| Operating profit | | 1,182,625 | 3,529,991 |
| Other interest receivable and similar income | | <u>673</u> | <u>1,742</u> |
| Profit for the financial year before members' remuneration and profit shares | | 1,183,298 | 3,531,733 |
| Members' remuneration charged as an expense | | <u>(3,651,443)</u> | <u>(3,349,148)</u> |
| Result for the financial year available for discretionary division among members | | <u>(2,468,145)</u> | <u>182,585</u> |

All results relate to continuing activities.

The Partnership has no recognised gains and losses other than the results as stated above and therefore no separate statement of recognised gains and losses is presented.

There is no difference between the amounts stated above and their historical cost equivalents, either in respect of profit on ordinary activities before taxation or the retained profit for the year.

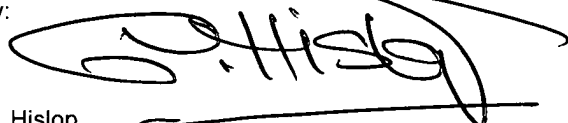
The notes on pages 8 to 9 form part of these financial statements.

Balance Sheet
31 December 2014

| | Notes | 2014 € | 2013 € |
|---|-------|--------------------|--------------------|
| Current assets | | | |
| Debtors | 3 | 812,525 | 563,887 |
| Amounts due from members | 3 | 2 | 2 |
| Cash and short term deposits | | <u>290,644</u> | <u>25,491</u> |
| | | 1,103,171 | 589,380 |
| Creditors: amounts falling due within one year | 4 | <u>(3,236,104)</u> | <u>(695,436)</u> |
| Net current liabilities | | <u>(2,132,933)</u> | <u>(106,056)</u> |
| Total assets less current liabilities | | (2,132,933) | (106,056) |
| Net liabilities attributable to members | | <u>(2,132,933)</u> | <u>(106,056)</u> |
| Represented by: | | | |
| Loans and other debts due to members within one year | | | |
| Other amounts | 5 | 1,788,512 | 1,347,244 |
| Equity | | | |
| Members' other interests – Other reserves classified as equity under FRS 25 | | <u>(3,921,445)</u> | <u>(1,453,300)</u> |
| Total Members' interests | | <u>(2,132,933)</u> | <u>(106,056)</u> |
| Amounts due from Members | | - | - |
| Loans and other debts due to Members | | 1,788,510 | 1,347,242 |
| Members' other interests | | <u>(3,921,445)</u> | <u>(1,453,300)</u> |
| | | <u>(2,132,935)</u> | <u>(106,058)</u> |

The notes on pages 8 to 9 form part of these financial statements.

The financial statements on pages 6 to 9 were approved by the members on 26 March 2015 and were signed on its behalf by:



G. Hislop
Representing Designated Member Montagu Private Equity LLP

Registered No. OC339798

Notes to the financial statements for the year ended 31 December 2014

1 Accounting Policies

(a) Accounting convention

The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards in the United Kingdom and the Limited Liability Partnerships Act 2000. The financial statements have also been prepared in accordance with the Statement of Recommended Practice for Limited Liability Partnerships issued by the Consultative Committee of Accountancy Bodies.

A summary of the more important accounting policies, which have been applied consistently, is set out below.

(b) Taxation

Income tax, being the individual liability of each member, is not provided for in the accounts of the LLP.

(c) Cash

Cash comprises cash at hand, bank balances and money market deposits.

(d) Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date, and gains and losses are taken to the profit and loss account.

(e) Fee income

Fee income represents consultancy fees, and is accounted for on an accruals basis. Provision is made against this income where the directors are uncertain as to its future recoverability.

(f) Cash Flow Statement

The Partnership is equivalent in size to a small company as set out in s382 of the Companies Act 2006. It is therefore exempt under FRS 1 from the requirement to produce a cash flow statement.

(g) Going Concern

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of €2,132,933 which the directors believe to be appropriate for the following reason. The directors consider that for at least 12 months from the date of approval of these financial statements that the Company will continue in operational existence through the support of Montagu Private Equity LLP. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this position will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this agreement with Montagu Private Equity LLP, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

2 Operating costs

| | 2014 | 2013 |
|--|--------|----------|
| Operating costs are stated after charging: | € | € |
| Auditor's remuneration - audit | 12,000 | 12,000 |
| Exchange (gains) / losses | 16,841 | (18,121) |

Notes to the financial statements for the year ended 31 December 2014

3 Debtors

| | 2014 | 2013 |
|--------------------------|----------------|----------------|
| | € | € |
| Amounts due from members | 2 | 2 |
| Trade debtors | <u>812,525</u> | <u>563,887</u> |
| | <u>812,527</u> | <u>563,889</u> |

4 Creditors: amounts falling due within one year

| | 2014 | 2013 |
|------------------------------|------------------|----------------|
| | € | € |
| Sundry creditors | 247,907 | 588,375 |
| Accruals and deferred income | 2,866,418 | 12,000 |
| VAT | <u>121,779</u> | <u>95,061</u> |
| | <u>3,236,104</u> | <u>695,436</u> |

5 Reconciliation of members' interests

| | <u>Members' other interests'</u> | | <u>Loans and other debts</u> | | <u>Total</u> |
|--|----------------------------------|---------------------------|------------------------------|-------------------------|---------------------------|
| Partnership | <u>Members' capital</u> | <u>Other Reserves</u> | <u>Members' capital</u> | <u>Other amounts</u> | <u>members' interests</u> |
| | Classified as equity | € | Classified as liability | € | € |
| | € | € | € | € | € |
| Members' interests at 1 Jan 2014 | 2 | (1,453,302) | - | 1,347,244 | (106,056) |
| Members' remuneration charged as an expense | - | - | - | 3,651,443 | 3,651,443 |
| Result for the financial year available for discretionary division among members | <u>-</u> | <u>(2,468,145)</u> | <u>-</u> | <u>-</u> | <u>(2,468,145)</u> |
| Members' interests after (Loss) for the year | 2 | (3,921,447) | - | 4,998,687 | 1,077,242 |
| Drawings | <u>-</u> | <u>-</u> | <u>-</u> | <u>(3,210,175)</u> | <u>(3,210,175)</u> |
| Members' interests at 31 Dec 2014 | <u><u>2</u></u> | <u><u>(3,921,447)</u></u> | <u><u>-</u></u> | <u><u>1,788,512</u></u> | <u><u>(2,132,933)</u></u> |

The average number of Members during the period was six. In the event of a winding up of the Partnership, monies due to creditors will be paid before any distributions of loans and other debts due to Members.

6 Related party disclosures

As at 31st December 2014 a funding balance of €118,227 (2013: €501,821) was outstanding with Montagu Private Equity LLP.

7 Ultimate controlling party

There is no ultimate parent or controlling party.