

R.O.C.

Registered no. 04040407

**PRAEFINIUM PARTNERS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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PRAEFINIUM PARTNERS LIMITED

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PRAEFINIUM PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their Strategic Report for the year ended 31 December 2014.

Principal Activity

The principal activity of the company is that of asset management and the provision of investment advice.

Review of Business and Future Developments

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

The results for the year and the financial position of the company are as shown in the annexed financial statements and are considered satisfactory by the directors and in line with expectations.

The company is authorised and regulated by the Financial Conduct Authority (FCA) to undertake all activities relating to fund and asset management as well as investment advisory. The investment managers were Mr. Alpesh B. Patel, Dr. Ajay P. Singh and Mr. Nayan Srivastava. The company receives investment management fees and consultancy fees for investment advice.

During the year the company continued to act as the investment advisor to Praefinium SICAV-FIS and to Universal Premium Fund SICAV-FIS: both are investment funds domiciled in the Grand Duchy of Luxembourg and supervised by the Commission de Surveillance du Secteur Financier (CSSF). The investment advisory and investment management services provided to the investment funds were the company's main source of income.

The general market environment led to lower turnover and the company responded by further reducing overhead expenses.

The directors consider that the key financial risk exposure faced by the company relates to the need to maintain sufficient liquidity to satisfy regulatory capital requirements and working capital needs.

Results

The results of the year's trading and the financial position of the company are shown in the annexed accounts.

Key performance indicators for the company are as follows:

	2014	2013
	£	£
Turnover for the year	168,494	267,032
Loss for the year before tax	(102,851)	(22,860)
Shareholders funds at the year end	118,359	221,210
Cash at bank and in hand at the year end	7,506	4,416

ON BEHALF OF THE BOARD


A SINGH – DIRECTOR



12 February 2016

PRAEFINIUM PARTNERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements of the company for the year ended 31 December 2014. Certain matters that should be disclosed in this report are instead disclosed in the Strategic Report in accordance with Section 414C (11) Companies Act 2006.

Statement of the 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 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 to 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.

Directors

The current directors and the directors who served during the year are as follows:

A Singh
A Patel
N Srivastava (resigned 30 January 2014)

Registered Office

Sovereign Court
230 Upper Fifth Street
Central Milton Keynes
MK9 2HR

Registered number

04040407

Dividends

The directors recommend that no dividend be paid (2013 £nil)

PRAEFINIUM PARTNERS LIMITED

DIRECTORS` REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

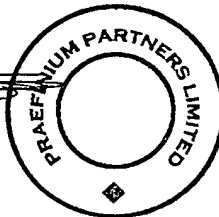
Statement of Disclosure of Information to Auditor

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company`s auditor is unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company`s auditor is aware of that information.

ON BEHALF OF THE BOARD


A SINGH - DIRECTOR



12 February 2016

PRAEFINIUM PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRAEFINIUM PARTNERS LIMITED

We have audited the financial statements of Praefinium Partners Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement 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 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 auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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

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 the 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 December 2014 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

(Continued on page 5)

PRAEFINIUM PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRAEFINIUM PARTNERS LIMITED (CONT)

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 of the information and explanations we require for our audit.

SIMON J GILL FCCA
(Senior Statutory Auditor)
For and on behalf of
HWS Keens Limited
Chartered Accountants and Statutory Auditor
Sovereign Court
230 Upper Fifth Street
Central Milton Keynes
MK9 2HR

17 February 2016

PRAEFINIUM PARTNERS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
TURNOVER	2	168,494	267,032
Cost of sales		60,000	67,999
GROSS PROFIT		<u>108,494</u>	<u>199,033</u>
Net operating expenses	3	211,345	221,880
OPERATING LOSS	4	(102,851)	(22,847)
Interest payable and similar charges	6	-	13
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(102,851)</u>	<u>(22,860)</u>
Tax on loss on ordinary activities	7	-	-
RETAINED LOSS FOR THE FINANCIAL YEAR		<u>(102,851)</u>	<u>(22,860)</u>
Retained loss brought forward		(159,790)	(136,930)
RETAINED LOSS CARRIED FORWARD		<u><u>(262,641)</u></u>	<u><u>(159,790)</u></u>

The company's turnover and expenses all relate to continuing operations.

There are no recognised gains or losses other than the results for the financial years shown above.

There is no difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis.

The annexed notes form part of these financial statements.

PRAEFINIUM PARTNERS LIMITED

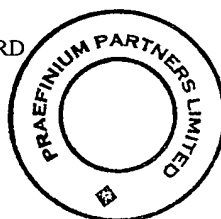
COMPANY NUMBER: 04040407

BALANCE SHEET AT 31 DECEMBER 2014

	NOTE		2014 £	2013 £
FIXED ASSETS				
Tangible assets	8		-	-
CURRENT ASSETS				
Debtors	9	303,865	410,501	
Cash at bank and in hand		7,506	4,416	
		<u>311,371</u>	<u>414,917</u>	
CREDITORS				
Amounts falling due within one year	10	<u>193,012</u>	<u>193,707</u>	
NET CURRENT ASSETS			<u>118,359</u>	<u>221,210</u>
NET ASSETS			<u><u>118,359</u></u>	<u><u>221,210</u></u>
CAPITAL AND RESERVES				
Called up share capital	11		381,000	381,000
Profit and loss account			<u>(262,641)</u>	<u>(159,790)</u>
SHAREHOLDERS' FUNDS	12		<u><u>118,359</u></u>	<u><u>221,210</u></u>

These financial statements were approved and authorised for issue by the board on 12 February 2016


A SINGH - DIRECTOR, ON BEHALF OF THE BOARD



The annexed notes form part of these financial statements.

PRAEFINIUM PARTNERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	15	3,090	(2,770)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid		-	(13)
		<u>-</u>	<u>(13)</u>
INCREASE (DECREASE) IN CASH	16	<u>3,090</u>	<u>(2,783)</u>

The annexed notes form part of these financial statements.

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable accounting standards. There were no material departures from those standards.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention.

The effects of events in relation to the year ended 31 December 2014 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 December 2014 and of the results for the year ended on that date.

Going Concern

The company is affiliated to the Praefinium Group and has been designated as the sole investment adviser for two Praefinium funds. This affiliation and appointment is expected to produce positive returns and cash flows in the future and, in the meantime, the Praefinium Group continues to informally assist in the financial support of the company. For this reason, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Depreciation

Depreciation has been computed to write off the cost less estimated residual value of the tangible fixed assets over their expected useful lives using the following rates:

Fixtures, fittings and computer equipment	- 15% to 33% per annum of cost
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Deferred Taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in full in respect of all material timing differences.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign Exchange

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction.

Balances at the year end denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date.

Losses and profits on foreign exchange are taken to the Profit and Loss account.

Leasing

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014 (CONT)

2. TURNOVER

The company's turnover represents the value, excluding Value Added Tax, of services supplied to customers during the year. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value.

The analysis of turnover by geographical area is as follows:

	2014 £	2013 £
Asia	42,134	120,450
Europe	98,610	139,082
North America	27,750	7,500
	<u>168,494</u>	<u>267,032</u>

3. NET OPERATING EXPENSES

	2014 £	2013 £
Administrative expenses	211,345	226,477
Other operating income	-	(4,597)
	<u>211,345</u>	<u>221,880</u>

4. OPERATING LOSS

Operating loss is stated after charging:

	2014 £	2013 £
Depreciation of owned assets	-	600
Auditor's remuneration	5,000	6,000
Operating leases - land and buildings	38,832	67,020
Foreign currency exchange loss	1,267	1,835
	<u>45,099</u>	<u>75,455</u>

Payments were made to companies for other services provided by directors, as detailed in note 14 to the accounts.

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014 (CONT)

5. STAFF COSTS

	2014 Number	2013 Number
Average number of persons employed (including directors)	3	4
The aggregate payroll costs of these persons were as follows:		
	2014 £	2013 £
Wages and salaries	34,738	55,000
Social security	1,880	6,356
	<u>36,618</u>	<u>61,356</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
Bank interest	-	13
	<u>-</u>	<u>13</u>

7. TAXATION

There is no tax charge for the year (2013 nil). At 31 December 2014 tax losses carried forward for offset against future trading profits are £218,000 (2013 £116,000).

Factors affecting tax charge for the period

The tax assessed for the year is higher (2013 higher) than the small companies rate of corporation tax in the UK (20 %). The differences are explained below:

	2014 £	2013 £
Loss on ordinary activities before tax	(102,851)	(22,860)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2013 - 20%)	(20,570)	(4,572)
Effects of:		
Expenses not deductible for tax purposes	165	236
Depreciation for year in excess of capital allowances	-	120
Losses carried forward	20,405	4,216
Current corporation tax charge for year	<u>-</u>	<u>-</u>

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014 (CONT)

8. TANGIBLE FIXED ASSETS

	Computer equipment £	Fixtures and fittings £	Total £
Cost			
At 1 January 2014 and 31 December 2014	2,837	3,552	6,389
Depreciation			
At 1 January 2014 and 31 December 2014	2,837	3,552	6,389
Net book value			
At 31 December 2014	-	-	-
<i>At 31 December 2013</i>	-	-	-

9. DEBTORS

Receivable within one year:

	2014 £	2013 £
Trade debtors	294,230	378,563
Other debtors	9,635	31,938
	303,865	410,501

10. CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade creditors	30,562	55,309
Social security and other taxes	-	1,836
Other creditors	97,658	3,520
Accruals	64,792	133,042
	193,012	193,707

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014 (CONT)

11. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid 381,000 ordinary shares of £1 each	381,000	381,000

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Loss for the financial year	(102,851)	(22,860)
Opening shareholders' funds	221,210	244,070
Closing shareholders' funds	118,359	221,210

13. LEASING COMMITMENTS

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as detailed below:

	Land and buildings £	2014 Other £	Land and buildings £	2013 Other £
Operating leases which expire:				
Within one year	-	-	66,360	-
	-	-	66,360	-

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014 (CONT)

14. RELATED PARTIES

Transactions with TraderMind Limited ('TL'), a company which A Patel is a director of, are as follows:

Cost of services provided in year by TL including reimbursement of travel costs (2013 £68,000) excluding VAT	£60,000
Amount due to TL at year end (2013 £35,266)	£29,600

Transactions with Phison Investments AG ('PI'), a company which A Singh is a director of, are as follows:

Cost of services provided in year by PI including reimbursement of travel costs (2013 £nil) excluding VAT	£30,444
Amount due to PI at the year end (2013 £63,520)	£50,489

Transactions with Praefinium Partners SARL ('PP'), a company which A Patel, A Singh and N Srivastava are directors of, are as follows:

Services provided in the year to PP (2013 £103,959)	£100,000
Amount due from PP at the year end (2013 £255,959)	£200,000

Transactions with Praefinium SCA SICAV-FIS ('PSCA'), a company which Praefinium Partners SARL is general manager of, are as follows:

Services provided in the year to PSCA (2013 £35,122)	£(1,390)
Amount due from PSCA at the year end (2013 £43,890)	£42,500

Transactions with Knee Creations Limited ('KC'), a company which N Srivastava is director of, are as follows:

Services provided in the year to KC (2013 £7,500)	£27,750
Amount due from KC at the year end (2013 £nil)	£27,750

Transactions with Praefinium Partners Pte Limited ('PTE'), a company which N Srivastava is a director of, are as follows:

Cost of services provided in year by PTE including reimbursement of travel costs (2013 £15,000) excluding VAT	£8,012
Amount due to PTE at the year end (2013 £60,000)	£43,649

Transactions with Praefinium - Tamarind fund ('TAM'), a company which Praefinium Partners SARL is general manager of, are as follows:

Disbursements paid on behalf of TAM (2013 £nil)	£12,310
Amount due from TAM at the year end (2013 £nil)	£12,310

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014 (CONT)

Transactions with Indeen Bio Power Limited ('IND'), a company which N Srivastava and A Singh are directors of, are as follows:

Services provided to IND (2013 £15,000)	£27,000
Amount due from IND at the year end (2013 £nil)	£12,000

Transactions with Praefinium Energy Investments Limited ('PEI'), a company which A Singh and N Srivastava are directors of, are as follows:

Services provided in the year to PEI (2013 £60,200)	£8,434
Cost of services provided in year by PEI (2013 £nil) excluding VAT	£3,044
Amount due from PEI at the year end (2013 £60,200)	£nil

Transactions with N Srivastava ('NS') are as follows:

Cost of services provided in year by NS including reimbursement of travel costs (2013 £nil) excluding VAT	£9,400
Amount due to NS at year end (2013 £3,520)	£3,520

15. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating loss	(102,851)	(22,847)
Depreciation charge	-	600
Decrease in debtors	106,636	71,640
Decrease in creditors	(695)	(52,163)
Net cash outflow from operating activities	3,090	(2,770)

16. ANALYSIS OF NET FUNDS

	2013 £	Cash flow £	Other changes £	2014 £
Cash at bank and in hand	4,416	3,090	-	7,506

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014 (CONT)

17. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2014	2013
	£	£
Increase/(decrease) in cash in the year	3,090	(2,783)
Movement in net funds in the year	<u>3,090</u>	<u>(2,783)</u>
Net funds at 1 January 2014	4,416	7,199
Net funds at 31 December 2014	<u><u>7,506</u></u>	<u><u>4,416</u></u>