LOMBARD CAPITAL PLC

(formerly Agneash Soft Commodities plc)

Annual Report and Financial Statements
For the year ended 31 March 2013

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FINANCIAL STATEMENTS

COMPANY INFORMATION

DIRECTORS	Grahame Rose (Chairman) Jason Teichman (Non-Executive Director)
REGISTERED OFFICE	30 Percy Street London W1T 2DB
COMPANY NUMBER	06050613
SECRETARY	M Nicholson
BROKER	Peterhouse Corporate Finance Ltd 31 Lombard Street, London EC3V 9BQ
REGISTRARS	Share Registrars Limited Suite E First Floor 9 Lion and Lamb Yard Farnham Surrey GU9 7LL
INDEPENDENT AUDITOR	Welbeck Associates Chartered Accountants and Statutory Auditor 30 Percy Street London W1T 2DB

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 March 2013

Dear Shareholders,

During the period reported, companies and investors awaited the new ISDX Rules for Issuers and additionally, the small cap market continued to be challenging, which in turn had an effect on the liquidity of Lombard's investments on both AIM and ISDX Although Lombard Capital's NAV initially showed progress, being 0 22p as 31st March 2013, it declined to 0 199p as at 31st May 2013, due to continued uncertainty in the market Since the last NAV announcement, Carbondesk Group Plc was withdrawn from ISDX and BWA Group Plc was suspended

In October 2013, your Board began exploring other investment opportunities including providing secured debt to AIM and other quoted companies

After much time and effort your Board successfully provided debt finance to several companies at a rate up to and including 5% per month and 5% administration charge and began lining up further opportunities In order to increase returns, the Board sought to raise additional funds to enable the Company to scale up the debt funding to quoted companies

Due to the remaining difficulties surrounding the future of ISDX your Board has been unable to raise additional funds and is currently considering the Company's options In the meantime, the Board seeks to keep any administrative costs to a minimum

We would like to thank our partners for their efforts over the last year, especially our corporate advisors Peterhouse Corporate Finance Limited

Grahame Rose
Chairman
26 September 2013

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 March 2013

The Directors present their annual report together with the audited financial statements for the year ended 31 March 2013

PRINCIPAL ACTIVITY

At the Annual General Meeting held on 29 August 2012 the shareholders approved the change of name of the Company from Agneash Soft Commodities plc to Lombard Capital plc The principal activity of the Company is as a provider of short term funding to companies quoted on AIM and the ISDX Growth Market

BUSINESS REVIEW

A review of the business in the period and of future developments is given in the Chairman's statement on page 3

KEY PERFORMANCE INDICATORS

The key performance indicators are set out below

COMPANY STATISTICS	2013	2012	Change %
Net asset value	£425,952	£301,721	+41%
Net asset value per share	0 22p	0 16p	+41%
Closing share price	0 175p	0 525p	-66%
Market capitalization	£335,676	£1,007,029	301%

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of the financial risk management objectives and policies are provided in note 14 to the financial statements

RESULTS AND DIVIDENDS

For the year ended 31 March 2013, the Company's loss after taxation from continuing operations was £255,757 (2012 £314,214 loss) and the loss per share was 0 13p (2012 0 17p loss) The Directors do not recommend the payment of a dividend (2012 £nil)

POST BALANCE SHEET EVENTS

Since the year end trading in the shares of BWA Group plc, a company quoted on the ISDX Growth market, has been suspended The Company has a shareholding representing 6 7% of the equity of BWA Also the shares in CarbonDesk Group plc, a company in which Lombard Capital has a non-disclosable equity interest, have been delisted from the ISDX Growth Market

These two events have been treated as material adjusting events, and an adjustment has been made to the accounts to reflect the potential diminution in value of the two investments

DIRECTORS

The Directors of the Company during the year and subsequently are set out below

Grahame Rose
Jason Teichman

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 March 2013

SUBSTANTIAL SHAREHOLDINGS

The only interests in excess of 3% of the issued share capital of the Company which have been notified to the Company as at 17 September 2013 were as follows:

	Ordinary shares of 0.1p each number	Percentage of capital %
Sunvest Corporation Limited	45,500,000	23.7%
Harewood Nominees Limited	38,350,000	20.0%
Religare Capital Markets (Europe) Limited	21,400,000	11.2%
Jim Nominees Limited	10,498,183	5.5%
Puma Nominees Limited	9,845,000	5.1%
Winterflood Securities Limited Limited	7,006,817	3.7%
Pershing Nominees Limited	7,000,000	3.6%
TD Wealth Institutional Nominees (UK) Limited	6,000,000	3.1%
Xcap Nominees Limited	6,000,000	3.1%

SUPPLIER PAYMENT POLICY

Whilst there is no formal code or standard, it is Company policy to settle terms of payment with creditors when agreeing the terms of each transaction and to abide by the creditors' terms of payment. There are no creditors subject to special arrangements outside of suppliers' terms and conditions. At 31 March 2013, the number of supplier days outstanding was 30 days (2012: 40 days).

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the Directors who is a Director at the date of approval of these financial statements 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.

AUDITOR

The auditors Welbeck Associates have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed at the Annual General Meeting.

For and on behalf of the Board

Grahame Rose
Director
26 September 2013

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 March 2013

INTRODUCTION

The Company's system of corporate governance, which is summarised below, has been formulated with the Combined Code in mind However, not every provision and principle of this Code has been dealt with as it is considered by the Directors to be inappropriate due to the current size of the Company Although not required, the Directors have decided to provide the following corporate governance information

BOARD OF DIRECTORS

As at 31 March 2013 the Board consisted of a Chairman and a Non-Executive Director The Board communicates and/or meets on a regular basis and the agenda of matters discussed and approved consists of matters concerned with the future direction of the business

STATEMENT OF 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 prepared the Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union The Financial Statements are required by law to give a true and fair view of the state of affairs of the Company 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,
- State whether applicable 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 confirm that they have complied with the above requirements in preparing the Financial Statements

The Directors are responsible for keeping adequate accounting records which 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

GOING CONCERN

During the period the Company had a loss of £255,757 and at the year-end had net current assets of £26,978 and investments available for sale of £392,158 The Directors have prepared cash flow forecasts through to 30 September 2014 which assume no significant investment activity is undertaken unless sufficient funding is in place to undertake the investment activity Although the cash flow forecasts show a small shortfall in funds over the period the Directors believe that, if required, the Company will raise additional funds from sales of investments to enable it to meet its liabilities as they fall due

On this basis, the Directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future For this reason they continue to adopt the going concern basis in preparing the Company's financial statements

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF LOMBARD CAPITAL PLC

FOR THE YEAR ENDED 31 March 2013

We have audited the financial statements of Lombard Capital plc for the year ended 31 March 2013, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows, the principal accounting policies 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 report of the directors, 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 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 and Financial Statements 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 31 March 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF AGNEASH SOFT COMMODITIES PLC
FOR THE YEAR ENDED 31 March 2013

Emphasis of Matter – Going Concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in *Note 2 Principal Accounting Policies* (going concern) to the financial statements concerning the Company's ability to continue as a going concern

As explained in the principal accounting policies the Company's ability to maintain adequate cash reserves to sustain the working capital requirements of the Company is dependent upon the sale of a proportion of the Company's investment portfolio, as well as, raising capital when needed The value of the investment portfolio and the ability to generate sufficient cash funds at the appropriate time are areas of significant management judgement

These matters, as explained in *Note 2 Principal Accounting Policies* (going concern), indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern

Opinion on other matter 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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the above matters

Jonathan Bradley-Hoare
Senior Statutory Auditor
for and on behalf of Welbeck Associates
Chartered Accountants
Statutory Auditor,

30 Percy Street
London
W1T 2DB

26 September 2013

INCOME STATEMENT

FOR THE YEAR ENDED 31 March 2013

	Notes	2013 £	2012 £
Continuing operations			
Loss on disposal of investments		**(132,645)**	(211,587)
Investment income		**10,000**	-
Impairment of investments	7	**(26,752)**	-
Operating expenses		**(106,360)**	(102,627)
Operating loss and loss before taxation	3	**(255,757)**	(314,214)
Taxation expense	5	**-**	-
Loss for the year, attributable to owners of the Company		**(255,757)**	(314,214)
Loss per share attributable to owners of the Company during the year Basic and diluted	6	**Pence**	pence
Total and continuing operations		**(0 13)**	(0 17)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2013

	2013 £	2012 £
Loss for the financial year	**(255,757)**	(314,214)
Other comprehensive income		
Market value adjustment to investments	**379,988**	(264,700)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**124,231**	(578,914)

The accompanying notes form an integral part of these financial statements

STATEMENT OF FINANCIAL POSITION
AS AT 31 March 2013

	Notes	2013 £	2012 £
NON CURRENT ASSETS			
Available for sale investments	7	**392,158**	244,764
CURRENT ASSETS			
Trade and other receivables	8	**6,816**	5,693
Cash and cash equivalents	9	**52,229**	110,938
		59,045	116,631
TOTAL ASSETS		**451,203**	361,395
EQUITY			
Share capital	11	**191,815**	191,815
Share premium		**755,614**	755,614
Investment revaluation reserve	12	**115,288**	(264,700)
Retained earnings		**(636,765)**	(381,008)
Equity attributable to owners of the Company and total equity		**425,952**	301,721
CURRENT LIABILITIES			
Trade and other payables	10	**25,251**	59,674
TOTAL EQUITY AND LIABILITIES		**451,203**	361,395

The financial statements were approved by the Board and authorised for issue on 26 September 2013.

Grahame Rose
Director

Company registration number 06050613 (England & Wales)

The accompanying notes form an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 March 2013

	Share capital	Share premium	Other reserves (Note 12)	Retained earnings	Total equity
	£	£	£	£	£
At 1 April 2011	71,815	281,909	277,705	(66,794)	564,635
Loss for the year	-	-	-	(314,214)	(314,214)
Other comprehensive income					
Market value adjustment to investments	-	-	(264,700)	-	(264,700)
Total comprehensive expense for the year	-	-	(264,700)	(314,214)	(578,914)
Shares issued	120,000	450,000	(254,000)	-	316,000
Expiry of warrants (see Note 13)	-	23,705	(23,705)	-	-
At 31 March 2012	191,815	755,614	(264,700)	(381,008)	301,721
Loss for the year	-	-	-	(255,757)	(255,757)
Other comprehensive income					
Market value adjustment to investments	-	-	379,988	-	379,988
Total comprehensive expense for the year	-	-	379,988	(255,757)	124,231
At 31 March 2013	**191,815**	**755,614**	**115,288**	**(636,765)**	**425,952**

The accompanying notes form an integral part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2013

	2013 £	2012 £
OPERATING ACTIVITIES		
Operating loss	(255,757)	(314,214)
Adjustments		
Loss on disposal of investments	132,645	211,587
Impairment of investments	26,752	
Investment income	(10,000)	-
Increase in trade and other receivables	(1,123)	(332)
Increase in trade and other payables	(34,423)	49,875
Net cash outflow from operating activities	(141,906)	(53,084)
INVESTING ACTIVITIES		
Purchases of investments	(281,456)	(1,876,387)
Disposals of investments	354,653	1,155,336
Investment income	10,000	-
Net cash outflow from investing activities	83,197	(721,051)
FINANCING ACTIVITIES		
Proceeds of share issues	-	346,000
Share issue expenses	-	(30,000)
Share subscription money received	-	-
Net cash inflow from financing activities	-	316,000
Net (decrease)/increase in cash and cash equivalents	(58,709)	(458,135)
Cash and cash equivalents as at 1 April	110,938	569,073
Cash and cash equivalents as at 31 March	52,229	110,938

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2013

1 GENERAL INFORMATION

Lombard Capital plc is a limited company incorporated and domiciled in the United Kingdom The Company's registered office is disclosed on page 2

2 PRINCIPAL ACCOUNTING POLICIES

The principal Accounting Policies applied in the preparation of these Financial Statements are set out below These Policies have been consistently applied to all the periods presented, unless otherwise stated

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and IFRIC interpretations as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRSs The Financial Statements have also been prepared under the historical cost convention

The preparation of financial statements in conformity with IFRSs 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 areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements, are disclosed later in these accounting policies

The financial statements are presented in sterling (£), rounded to the nearest pound

GOING CONCERN

During the period the Company had a loss of £255,757 and at the year-end had net current assets of £26,978 and investments available for sale of £392,158 The Directors have prepared cash flow forecasts through to 30 September 2014 which assume no significant investment activity is undertaken unless sufficient funding is in place to undertake the investment activity Although the cash flow forecasts show a small shortfall in funds over the period the Directors believe that, if required, the Company will raise additional funds from sales of investments to enable it to meet its liabilities as they fall due

On this basis, the Directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future For this reason they continue to adopt the going concern basis in preparing the Company's financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2013

2 PRINCIPAL ACCOUNTING POLICIES (continued)

STATEMENT OF COMPLIANCE

The financial statements comply with International Financial Reporting Standards as adopted by the European Union At the date of authorisation of these financial statements, the following Standards and Interpretations affecting the Company, which have not been applied in these financial statements, were in issue, but not yet effective (and in some cases had not been adopted by the EU)

		Effective for accounting periods beginning on or after
IFRS 7 (amended)	Disclosures - Transfers of Financial Assets	1 January 2013
IFRS 9	Financial Instruments	1 January 2013
IFRS 11	Joint Arrangements	1 January 2014
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
IAS 1 (amended)	Presentation of Items of Other Comprehensive Income	1 July 2012
IAS 12 (amended)	Deferred Tax Recovery of Underlying Assets	1 January 2013
IAS 19 (amended)	Employee Benefits	1 January 2013
IAS 27 (amended0	Separate Financial Statements	1 January 2014
IAS 28 (amended)	Investments in Associates and Joint Ventures	1 January 2014

The Directors anticipate that the adoption of the above Standards and Interpretations in future periods will have little or no impact on the financial statements of the Company when the relevant Standards come into effect for future reporting periods

KEY ESTIMATES AND ASSUMPTIONS

The Company makes estimates and assumptions concerning the future The resulting accounting estimates will, by definition, seldom equal the related actual results

No estimates or assumptions have been used in the preparation of these accounts that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial period

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2013

2 PRINCIPAL ACCOUNTING POLICIES (continued)

SEGMENTAL REPORTING

A segment is a distinguishable component of the Company's activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about the allocation of resources and assessment of performance and about which discrete financial information is available

As the chief operating decision maker reviews financial information for and makes decisions about the Company's investment activities as a whole, the directors have identified a single operating segment, that of investing in or acquiring assets, businesses or companies in the soft commodities sector

CURRENT AND DEFERRED TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax

The tax currently payable is based on taxable profit for the year Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted at the balance sheet date Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at hand and current and deposit balances at banks, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2013

2 PRINCIPAL ACCOUNTING POLICIES (continued)

AVAILABLE FOR SALE INVESTMENTS

Investments are initially measured at fair value plus incidental acquisition costs Subsequently, they are measured at fair value in accordance with IAS 39 In respect of quoted investments, this is either the bid price at the period end date or the last traded price, depending on the convention of the exchange on which the investment is quoted, with no deduction for any estimated future selling cost Unquoted investments are valued by the directors using primary valuation techniques such as recent transactions, last price and net asset value

Investments are recognised as available-for-sale financial assets Gains and losses on measurement are recognised in other comprehensive income except for impairment losses and foreign exchange gains and losses on monetary items denominated in a foreign currency, which are recognised directly in profit or loss Where the investment is disposed of or is determined to be impaired the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss

The Company assesses at each period end date whether there is any objective evidence that a financial asset or group of financial assets classified as available-for-sale has been impaired An impairment loss is recognised if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset A significant or prolonged decline in the fair value of a security below its cost shall be considered in determining whether the asset is impaired

When a decline in the fair value of a financial asset classified as available-for-sale has been previously recognised in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss is removed from other comprehensive income and recognised in profit or loss The loss is measured as the difference between the cost of the financial asset and its current fair value less any previous impairment

EQUITY

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs

The share premium account represents premiums received on the initial issuing of the share capital Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits

Shares to be issued represent the value of subscription monies received for shares which have been issued subsequent to the balance sheet date

The warrant equity reserve represents the fair value, calculated at the date of grant, of warrants unexercised at the balance sheet date

The investment revaluation reserve represents the difference between the purchase cost of the available for sale investments less any impairment charge and the market value of those investments at the accounting date

Retained earnings include all current and prior period results as disclosed in the statement of comprehensive income

FINANCIAL LIABILITIES

Financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument All interest related charges are recognised as an expense in finance cost in the income statement using the effective interest rate method

The Company's financial liabilities comprise trade and other payables

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost less settlement payments

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2013

3 OPERATING LOSS

	2013 £	2012 £
Loss from operations is arrived at after charging/(crediting)		
Auditors' remuneration		
– Fees payable to the Company's auditor for the audit of the annual accounts	7,000	8,000
– Fees payable to the Company's auditor and its associates for other services		
Tax services	-	-
	7,000	8,000

4 DIRECTORS'REMUNERATION

The Company had no employees in the year, or in the previous year There was one executive director in the year and none in the previous year

	2013 No	2012 No
Administration	1	1

	2013 £	2012 £
Directors' remuneration - fees	35,250	15,010
	35,250	15,010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2013

5 TAXATION

	2013 £	2012 £
UK corporation tax	-	-
Deferred tax	-	-
Total tax expense for the period	-	-
Loss before tax	**(255,757)**	(314,214)
Tax on loss on ordinary activities at standard UK corporation tax rate of 20% (2012 20%)	**(51,151)**	(62,843)
Effects of		
Unutilised tax losses	**51,151**	62,843
Total tax expense for the period	-	-

The unutilised tax losses of the Company available for set off against future taxable profits are estimated to be £422,000 (2012 £376,000) The Company has not recognised a deferred tax asset in respect of these losses as there is insufficient evidence of future taxable profits

6 EARNINGS PER SHARE

The basic and diluted earnings per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year

	2013 £	2012 £
EARNINGS		
Loss for the purposes of basic and fully diluted loss per share	(255,757)	(314,214)
NUMBER OF SHARES		
Weighted average number of shares for calculating basic and fully diluted earnings per share	191,815,000	189,842,397

	2013 pence	2012 pence
EARNINGS PER SHARE		
Basic and fully diluted loss per share	(0.13)	(0 17)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2013

7 AVAILABLE-FOR-SALE INVESTMENTS

	2013 £	2012 £
Investments at cost brought forward	**509,464**	-
Cost of share purchases	**281,456**	1,876,387
Proceeds of share disposals	**(354,653)**	(1,155,336)
Net loss on disposal of shares	**(132,645)**	(211,587)
Investments at cost at year end	**303,622**	509,464
Market value adjustment	**115,288**	(264,700)
Impairment of investments (see below)	**(26,752)**	-
Market value of investments at year end	**392,158**	244,764
Categorised as		
Level 1	**306,983**	144,764
Level 2	**52,172**	-
Level 3	**33,003**	100,000
	392,158	244,764

The impairment charge relates to the Company's two investments in BWA Group plc and CarbonDesk Group plc (see note 17)

The table above sets out the fair value measurements using the IFRS 7 fair value hierarchy Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows

Level 1 - valued using quoted prices in active markets for identical assets

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data

The valuation techniques used by the company are explained in the accounting policy note, "Available For-Sale Investments"

8 TRADE AND OTHER RECEIVABLES

	2013 £	2012 £
Prepayments	**1,766**	5,693
Total	**1,766**	5,693

The fair value of trade and other receivables is considered by the directors not to be materially different to the carrying amounts

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2013

9 CASH AND CASH EQUIVALENTS

	2013 £	2012 £
Cash at banks	**52,229**	77,144
Cash balance held at brokers	**-**	33,794
Total	**52,229**	110,938

10 TRADE AND OTHER PAYABLES

	2013 £	2012 £
Trade payables	**4,451**	3,624
Other creditors	**-**	25,000
Accrued charges	**20,800**	31,050
Total	**25,251**	59,674

The fair value of trade and other payables is considered by the directors not to be materially different to the carrying amounts

11 SHARE CAPITAL

	2013 £	2012 £
Authorised		
500,000,000 ordinary shares of 0 1p each	**500,000**	500,000
2,000,000 redeemable shares of 1p each	**20,000**	20,000
	520,000	520,000
Issued and fully paid		
191,815,000 ordinary shares of 0 1p each (2012 71,815,000)	**191,815**	191,815

12 OTHER RESERVES

	Shares to be issued £	Warrant equity reserve £	Investment revaluation reserve £	Total other reserves £
1 April 2011	254,000	23,705	-	277,705
Shares issued	(254,000)	-	-	(254,000)
Transfer to share premium on expiry of warrants	-	(23,705)	-	(23,705)
Market value adjustment to investments	-	-	(264,700)	(264,700)
At 31 March 2012	-	-	(264,700)	(264,700)
Market value adjustment to investments	-	-	379,988	379,988
At 31 March 2013	**-**	**-**	**115,288**	**115,288**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2013

13 RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks which result from both its operating and investing activities The Company's risk management is coordinated by the board of directors, and focuses on actively securing the Company's short to medium term cash flows by minimising the exposure to financial markets

CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are

- to safeguard the Company's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders,
- to support the Company's growth, and
- to provide capital for the purpose of strengthening the Company's risk management capability

The Company actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities Management regards total equity as capital and reserves, for capital management purposes

CREDIT RISK

The Company's financial instruments, that are subject to credit risk, are cash and cash equivalents The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable financial institutions

The Company's maximum exposure to credit risk is £52,229 (2012 £110,938) comprising cash and cash equivalents

LIQUIDITY RISK

Liquidity risk is managed by means of ensuring sufficient cash and cash equivalents are held to meet the Company's payment obligations arising from administrative expenses The cash and cash equivalents are invested such that the maximum available interest rate is achieved with minimal risk

MARKET PRICE RISK

The Company's exposure to market price risk mainly arises from potential movements in the fair value of its investments The Company manages this price risk within its long-term investment strategy to manage a diversified exposure to the market If each of the Company's equity investments were to experience a rise or fall of 10% in their fair value, this would result in the Company's net asset value increasing or decreasing by £42,000 (2012 £25,000)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2013

14 FINANCIAL INSTRUMENTS

FINANCIAL ASSETS BY CATEGORY

The IAS 39 categories of financial assets included in the balance sheet and the headings in which they are included are as follows

	2013	2012
	£	£
Financial assets		
Available for sale investments	**392,158**	244,764
Cash and cash equivalents	**52,229**	110,938
	444,387	495,702

FINANCIAL LIABILITIES BY CATEGORY

The IAS 39 categories of financial liability included in the balance sheet and the headings in which they are included are as follows

	2013	2012
	£	£
Financial liabilities at amortised cost		
Trade and other payables	4,451	28,624
	4,451	28,624

15 CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 March 2013 (2012 £Nil)

16 CAPITAL COMMITMENTS

There were no capital commitments authorised by the directors or contracted for at 31 March 2013 or 31 March 2012

17 POST BALANCE SHEET EVENTS

Since the year end trading in the shares of BWA Group plc, a company quoted on the ISDX Growth market, has been suspended The Company has a shareholding representing 6 7% of the equity of BWA Also the shares in CarbonDesk Group plc, a company in which Lombard Capital has a non-disclosable equity interest, have been delisted from the ISDX Growth Market

Under IAS 10 - 'Events After the Reporting Period', these two events have been treated as material adjusting events, and an adjustment has been made to the accounts to reflect the potential diminution in value of the two investments

18 RELATED PARTY TRANSACTIONS

Other than remuneration paid to the directors as in Note 4 to the financial statements, there were no other related party transactions during the year