

**Bamboo Investments (Isle of Man) PLC**

**Unaudited Annual Report and Financial Statements  
for the year ended 31 December 2010.**

## Bamboo Investments (Isle of Man) PLC

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## Bamboo Investments (Isle of Man) PLC

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### Directors and administration

<b>Directors</b>	M C Stoddart (Chairman) C D Pemberton P P Scales
<b>Secretary</b>	P P Scales
<b>Registered office</b>	IOMA House Hope Street Douglas Isle of Man IM1 1AP
<b>Company number</b>	003203V
<b>Administrator</b>	IOMA Fund and Investment Management Limited IOMA House Hope Street Douglas Isle of Man IM1 1AP
<b>Investment advisors</b>	Albion Ventures LLP 1King's Arms Yard London EC2R 7AF  Stonesfield Capital Limited 29 Gloucester Place London W1U 9HX
<b>Legal advisors</b>	Cains Advocates Limited Fort Anne South Quay Douglas Isle of Man IM1 5PD
<b>Registrars</b>	Computershare Investor Services (Channel Islands) Limited PO Box 83 Ordnance House 31 Pier Road St Helier Jersey JE4 8PW

## Bamboo Investments (Isle of Man) PLC

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### Return to shareholders

The following is an illustration of the return to Shareholders to date for every £100 invested, assuming first that the shareholder tendered their shares in full in the May 2003 Tender Offer, and second, that the shareholder did not participate in the Tender Offer.

#### 1 Shares tendered in full

	£
Proceeds of May 2003 Tender Offer	39.98
Proceeds of October 2005 return of capital	32.03
Proceeds of June 2006 return of capital	6.56
Proceeds of October 2008 return of capital	6.00
Proceeds of November 2009 return of capital	0.94
Proceeds of November 2010 return of capital	0.75
Net asset value of holding at 31 December 2010	3.21
<b>Total value to date for every £100 invested</b>	<b>89.47</b>

#### 2 No shares tendered

	£
Proceeds of October 2005 return of capital	86.00
Proceeds of June 2006 return of capital	17.59
Proceeds of October 2008 return of capital	16.09
Proceeds of November 2009 return of capital	2.51
Proceeds of November 2010 return of capital	2.01
Net asset value of holding at 31 December 2010	8.59
<b>Total value to date for every £100 invested</b>	<b>132.79</b>

## **Bamboo Investments (Isle of Man) PLC**

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### **Chairman's statement**

#### **Introduction**

I am pleased to present to you the financial statements of Bamboo Investments (Isle of Man) PLC for the twelve months ended 31 December 2010.

During the year Bamboo received £31,250 from the redemption of loan notes in Sparesfinder Limited; £190,941 was received from Dr Foster Holdings LLP as part of a distribution of surplus cash to shareholders; and £40,000 was received upon the sale of In Touch With Health Limited.

These receipts meant that the Company was able to distribute £199,998 to Shareholders through the buyback of 741,289 shares in November 2010. The shares were bought back at 26.98p per share, being the net asset value per share at 30 June 2010.

The overall net asset value for the year increased by £40,263, or 3.9%, after allowing for the return of capital. At 31 December 2010, the net asset value per share had increased to 26.48p.

#### **Portfolio company performance**

In the Interim report, we mentioned that Dr Foster had engaged with advisers with a view to selling the business. This process has been exhaustive and is still on-going. The reason for the delay is due to the fact that trading has been significantly affected by the re-organisation of the NHS. Primary Care Trusts are significant clients of Dr Foster and, due to their uncertain future, they have not been proactive in either renewing existing contracts or signing new contracts. As a result, Dr Foster has implemented a restructuring and downsizing of the business which is likely to lead to a significant fall in profitability. We have reduced our valuation of the business by 67% (£578,000) to reflect this. It is important to note that despite this setback, Bamboo has received to date £631,931 in cash from the sale of shares against an original cost of £516,982.

The performance of IRISYS continues to improve and the business achieved record revenues (£18.7m) and operating profits (£4.1m) for the year ending 31<sup>st</sup> December 2010. The forecast for 2011 shows a significant increase on these numbers due to a strengthening of the order book for its queue monitoring software. The company has appointed advisers to sell the business, but this process is still at an early stage. We have increased the valuation of our holding in IRISYS by £380,666 to £633,056 to reflect this improved performance.

## Bamboo Investments (Isle of Man) PLC

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### Chairman's statement (continued)

Our small investment in SparesFinder has also been written up (by £30,050) as a result of strong trading, though there are no current plans for the disposal of the business.

The Bamboo shareholding in Cashfac is small and we have maintained it at a value of £30,000 despite an improved performance of the business in 2010. We continue to press for an exit, but being a very small shareholder it is difficult to change the status quo of the business.

### Shareholder value

As the table on page 4 shows, Shareholders who participated in the May 2003 Tender Offer have, for every £100 invested, received cash of £86.26 (2009: £85.51), whilst retaining shares with a current net asset value of £3.21 (2009: £3.81). Those who did not participate in the Tender Offer and who thus benefited to a greater degree in the subsequent rise in the value of the investment portfolio, have received a cash return of £124.20 (2009: £122.19) for every £100 invested and still retain shares to the value of £8.59 (2009: £10.20).

### Results

The Group made total recognised gains of £40,263 (2009: £221,986) for the twelve month period and an operating loss of £55,589 (2009: profit £96,105). Administrative expenses for the year were £55,885 (2009: £56,125) which includes an increase in the provision in respect of the performance fee in line with the increase in net assets. The annual running costs of the business were reduced further on 1<sup>st</sup> December 2010, following the last distribution to shareholders, after Albion and Stonesfield agreed to further reduce their management fees to £13,700 from £20,000 per annum. The total estimated current annual running costs of the business are approximately £38,000.

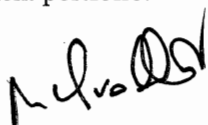
### Outlook and further return of capital

It remains the Board's intention to return cash to Shareholders upon further realisation of investments. The Board is mindful of both time and the cost of running Bamboo, but balance this against the desire to obtain the best value for Shareholders and of maximising the sales value of our investment portfolio.

M C Stoddart

Chairman

26 May 2011



## Bamboo Investments (Isle of Man) PLC

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### The Board of Directors

#### Non-executive Directors

##### **MC Stoddart (Chairman) – age 79**

Michael Stoddart is the former chairman of Electra Investment Trust, one of the UK's leading providers of private equity; he held this position from 1986, having been appointed chief executive in 1974, to his retirement in April 2000. He is the former chairman of the Foundation of Entrepreneurial Management at the London Business School, and holds a number of non-executive directorships in private companies in the UK. He is a senior advisor to Fleming Family and Partners.

##### **CD Pemberton – age 61**

Christopher Pemberton is a director of a number of property and investment companies and was formerly chief executive of an aviation services company. Christopher Pemberton is a qualified Chartered director.

##### **PP Scales – age 61**

Philip Scales is the managing director of IOMA Fund and Investment Management Limited, which acts as Administrator to Bamboo Investments (Isle of Man) PLC. Philip Scales has more than 30 years' experience in corporate and mutual fund administration and is a fellow of the Institute of Chartered Secretaries and Administrators.

### The Advisors

Albion Ventures LLP and Stonesfield Capital Limited act as joint advisors to Bamboo Investments (Isle of Man) PLC ("Bamboo")

Albion Ventures LLP, ("AVL") is a LLP authorised and regulated by the UK's Financial Services Authority. It is one of the market leaders in the area of Venture Capital Trust fund-raising and investment and in addition to other venture capital funds, manages nine venture capital trusts, Albion Venture Capital Trust PLC, Albion Prime VCT PLC, Albion Development VCT PLC, Albion Technology & General VCT PLC, Albion Income & Growth VCT PLC, Crown Place VCT PLC, Albion Enterprise VCT PLC, Kings Arms Yard VCT PLC and Kings Arms Yard VCT 2 PLC. AVL has funds under management of approximately £235 million.

AVL is responsible for, *inter alia*, the following functions:

- the continuing investment advice and monitoring of the Group's investment portfolio;
- advising on the realisation of investments, when appropriate to do so; and
- the provision of certain accounting and administration services to the Group.

Stonesfield Capital Limited, a company authorised and regulated by the UK Financial Services Authority, advises on the following activities relating to Bamboo:

- assisting with the monitoring of Bamboo's investment portfolio;
- assisting in the preparation of progress reports regarding all portfolio companies; and
- assisting with the sale of investments, including the identification of purchasers and the negotiation of terms.

James Stoddart, previously chief executive officer of Bamboo, owns and manages Stonesfield Capital Limited. James is co-founder of Bestport Ventures LLP.

## Bamboo Investments (Isle of Man) PLC

### Portfolio review

Largest venture capital investments by Directors' valuation	Historic cost to Group	Directors' valuation	% of NAV by valuation
	£	£	
Infrared Integrated Systems Limited (IRISYS)	474,602	633,056	74%
Dr Foster Limited	186,187	280,000	33%
sparesFinder Limited	63,130	95,000	11%
Cashfac Limited	52,020	30,000	4%
<b>Venture capital portfolio</b>	<b>775,939</b>	<b>1,038,056</b>	<b>122%</b>
Cash and other net liabilities		(183,599)	(22)%
<b>Total net assets as at 31 December 2010</b>		<b>854,457</b>	<b>100%</b>
<b>Net asset value per share as at 31 December 2010 (pence)</b>		<b>26.48p</b>	

## Bamboo Investments (Isle of Man) PLC

### Report of the Directors

The Directors submit the Annual Report and Financial Statements of Bamboo Investments (Isle of Man) PLC ('the Company') for the year to 31 December 2010.

#### Reregistration of the Company into a New Manx Vehicle ("NMV")

Further to the passing of the resolution at the Extraordinary General Meeting on 17 September 2008, the Company, which was previously incorporated under the Isle of Man Companies Acts 1931 – 2004, was re-registered as a company governed by the Isle of Man Companies Act 2006. As part of the re-registration process, the Company adopted new memorandum and articles of association which are more appropriate for a company governed by the 2006 Act.

#### Capital reduction

In November 2010, the Company returned £199,998 cash to shareholders by the purchase and cancellation of 741,289 shares which were bought back at 26.98p, the net asset value at the time. In November 2009 the Company returned £249,918 cash to shareholders by the purchase and cancellation of 1,055,297 shares which were bought back at 23.69p, the net asset value at the time. Between June 2006 and October 2009, the Company has returned £12.2 million cash to shareholders through the cancellation of shares.

Details of the share capital of the Company are shown in note 13.

#### Principal activity

The principal activity of Bamboo Investments (Isle of Man) PLC in the year under review, is that of an investment holding company. The Directors intend that this will continue to be Bamboo's principal activity for the foreseeable future. The Company has two wholly owned subsidiaries; Bamboo Investments Limited and Bamboo Investments (No. 2) Limited. The Company has indemnified these subsidiaries against future liabilities. It is the Directors' intention to wind up these subsidiaries in the short term.

#### Business review

The Company's investment strategy remains to return cash to Shareholders upon the realisation of investments.

The Director's do not foresee any major changes in the activity undertaken by the Company in the current year, as the Company continues with its objectives. Details of the principal investments made by the Company are shown in the Portfolio review on page 8. A detailed review of the Company's business during the year and future prospects is contained in the Chairman's statement on page 5.

#### Results and dividends

	31 December 2010	31 December 2009
	£	£
Retained profit for the year	236,999	64,686
Unrealised (losses)/gains in the year	(196,736)	157,300
<b>Total recognised gains and losses for the year</b>	<b>40,263</b>	<b>221,986</b>

The Directors do not recommend the payment of a dividend (2009: nil).

## Bamboo Investments (Isle of Man) PLC

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### Report of the Directors (continued)

#### Key performance indicators

The Group is not making further investments and is in the process of realising its investment portfolio and returning cash to Shareholders, therefore typical key performance indicators such as total expense ratios are not relevant. However, during the year, as mentioned in the Chairman's statement, the Group has significantly reduced its costs base in order to maximise returns to Shareholders.

#### Principal risks and uncertainties

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, cash flow risk and price risk.

#### *Investment risk*

This is the risk of investment in poor quality assets which reduce the capital and income returns to Shareholders and negatively impacts on the Company's reputation. By nature, smaller unquoted businesses are more fragile than larger, long-established businesses. To reduce this risk, the Board places reliance upon the skills and expertise of the Advisors and their strong track record for investing in this segment of the market. Investments are actively and regularly monitored by the Advisors and the Board receives detailed reports on each investment at board meetings.

#### *Reliance upon third parties risk*

The Company is reliant upon the services of IOMA Fund and Investment Management Limited, Albion Ventures LLP and Stonesfield Capital Limited for the provision of advice and administration. The Advisors have demonstrated to the Board that there is no undue reliance placed upon one individual within these third parties.

#### *Financial risks*

By its nature, the Company is exposed to credit risk, liquidity risk and cash flow interest rate risk. The Company's exposure to credit risk is minimal and the Advisors actively and regularly monitor the interest rate that the Company is earning on its cash deposits. All of the Company's income and expenditure is denominated in sterling and hence the Company has no foreign currency risk. The Company is financed through equity and does not have any borrowings.

#### Directors

The Directors who held office throughout the year, and their interests in the shares of the Company (together with those of their immediate family) are shown below:

#### Directors' interests in shares

	<b>31 December 2010 Number of shares</b>	<b>31 December 2009 Number of shares</b>
M C Stoddart	176,764	217,375

All shares are Ordinary shares of 5 pence per share.

There have been no changes in the holdings of the Directors between 31 December 2010 and the date of this report.

No Director has a service contract with the Company.

Details of the Directors' remuneration can be found in note 4 to the financial statements.

As at the date of this report Bamboo does not have any employees.

## Bamboo Investments (Isle of Man) PLC

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### Report of the Directors (continued)

#### Advisory agreements

Bamboo and Albion Ventures LLP (previously Close Ventures Limited) entered into an Advisory agreement on 11 February 2005 (effective from the date of the hive up) for an initial fixed term of one year, which may be terminated by either party on 12 months' notice.

With effect from 1 August 2008, Albion Ventures reduced its fee to a flat fee of £30,000 plus applicable VAT per annum.

On 27 October 2009 under a deed of variation to the Advisory Agreement, Stonesfield Capital Limited was appointed as joint Advisor to Bamboo alongside Albion Ventures LLP. The deed of variation provided that Albion Ventures is entitled to an annual fee £15,000 and Stonesfield Capital an annual fee of £5,000. The terms of the incentive fee were amended such that Albion Ventures is entitled to 30% of the performance incentive fee.

On 1 December 2010, Albion Ventures reduced its fee to £10,000 per annum and Stonesfield Capital Limited to £3,700 per annum.

#### Performance incentive fee

In order to incentivise the Advisors to maximise returns to Shareholders, the Advisors are entitled to an incentive fee, payable after the end of each financial year, in the event that returns to Shareholders exceed minimum target levels, being calculated as 20% of the excess of the proceeds returned to Shareholders after achievement of the 8% per annum hurdle return based on the net asset value of Bamboo as at 8 May 2003.

In November 2010, an amount of £199,998 was returned to shareholders and as a result, the Advisors are due to receive 20% of the amount received (£40,000). Based on the net asset value of Bamboo as at 31 December 2010, a provision of £186,303 has been made in the balance sheet (note 12). The provision is the Directors' best estimate of the amount payable.

#### Statement of Directors' Responsibilities

Isle of Man company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit or loss of the Company and the Group for that period. 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 all 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 are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and which enable them to ensure that the financial statements comply with the Isle of Man Companies Acts. They are also responsible for the system of internal control, for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors confirm that applicable accounting standards have been followed in the financial statements accompanying this report. This Annual Report and Financial Statements is unaudited.

## Bamboo Investments (Isle of Man) PLC

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### Report of the Directors (continued)

#### Supplier payment policy

The Group negotiates payment terms with its suppliers on an individual basis, with the normal arrangements being within 15 to 30 days from receipt of invoice. Trade creditor days of the Company for the year ended 31 December 2010 were 0 days (2009: 0 days) based on the ratio of trade creditors at the end of the year to amounts invoiced during the year by trade creditors.

#### Annual General Meeting

The Annual General Meeting will be held on 29 July 2011 at 3pm at the Registered Office. The notice of the Annual General Meeting is at the end of this document.

#### Re-appointment of Directors

At the forthcoming Annual General Meeting, as ordinary business and as required by the Articles of Association, Philip Scales will retire by rotation and, being eligible, offer himself for re-election as a Director.

Signed on behalf of the Board of Directors.



**M C Stoddart**  
**Chairman**  
**26 May 2011**

## Bamboo Investments (Isle of Man) PLC

### Consolidated income statement (unaudited)

	Note	Year ended 31 December 2010 £	Year ended 31 December 2009 £
Investment income	1,2	296	8,903
<b>Total income</b>		<b>296</b>	<b>8,903</b>
Administrative expenses		(55,885)	87,203
<b>Operating (loss)/profit</b>	3,4	<b>(55,589)</b>	<b>96,105</b>
Realised gains on investments		-	9,879
Decrease in provisions for impairment of investments		292,342	(17,000)
<b>Profit on ordinary activities before taxation</b>		<b>236,753</b>	<b>88,984</b>
Taxation on ordinary activities	1,5	246	(24,298)
<b>Profit on ordinary activities after taxation attributable to equityholders</b>		<b>236,999</b>	<b>64,686</b>

### Consolidated statement of total recognised gains and losses (unaudited)

	Year ended 31 December 2010 £	Year ended 31 December 2009 £
<b>Profit for the year</b>	<b>236,999</b>	<b>64,686</b>
Unrealised (losses)/gains in the year	(196,736)	157,300
<b>Total recognised gains for the year</b>	<b>40,263</b>	<b>221,986</b>
<b>Total recognised gains per share</b>	<b>0.95p</b>	<b>4.51p</b>

## Bamboo Investments (Isle of Man) PLC

### Consolidated balance sheet (unaudited)

	Note	31 December 2010	31 December 2009
<b>Fixed assets</b>		<b>£</b>	<b>£</b>
Venture capital portfolio	1,8	1,038,056	1,205,340
<b>Total fixed assets</b>		<b>1,038,056</b>	<b>1,205,340</b>
<b>Current assets</b>			
Debtors	10	5,951	21,261
Cash at bank	16,17	23,102	29,583
		<b>29,053</b>	<b>50,844</b>
<b>Creditors: amounts falling due within one year</b>	11	(45,761)	(39,153)
<b>Net current assets</b>		<b>(16,708)</b>	<b>11,691</b>
<b>Total assets less current liabilities</b>		<b>1,021,348</b>	<b>1,217,031</b>
<b>Creditors: amounts falling due after more than one year</b>	12	(166,891)	(202,839)
<b>Net assets</b>		<b>854,457</b>	<b>1,104,192</b>
<b>Capital and reserves</b>			
Called up share capital	13	161,355	198,419
Profit and loss account		752,837	541,267
Revaluation reserve		(59,735)	274,506
<b>Total equity shareholders' funds</b>		<b>854,457</b>	<b>1,014,192</b>

The financial statements on pages 13 to 23 were approved by the Board of Directors on 26 May 2011

Signed on behalf of the Board of Directors.



**M C Stoddart**  
Chairman



**P P Scales**  
Director

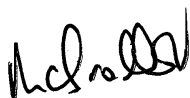
## Bamboo Investments (Isle of Man) PLC

### Company balance sheet (unaudited)

	Note	31 December 2010	31 December 2009
		£	£
<b>Fixed assets</b>			
Venture capital portfolio	1,8	1,038,056	1,205,340
Investment in subsidiaries	9	5,000	5,000
<b>Total fixed assets</b>		<b>1,043,056</b>	<b>1,210,340</b>
<b>Current assets</b>			
Debtors	10	5,951	21,261
Cash at bank		23,102	29,583
		<b>29,053</b>	<b>50,844</b>
<b>Creditors: amounts falling due within one year</b>	11	(175,951)	(170,270)
<b>Net current assets</b>		<b>(146,898)</b>	<b>(119,426)</b>
<b>Total assets less current liabilities</b>		<b>896,158</b>	<b>1,090,914</b>
<b>Creditors: amounts falling due after more than one year</b>	12	(166,891)	(202,839)
<b>Net assets</b>		<b>729,267</b>	<b>888,075</b>
<b>Capital and reserves</b>			
Called up share capital	13	161,355	198,419
Profit and loss account		335,393	330,349
Revaluation reserve		232,519	359,307
<b>Total equity shareholders' funds</b>		<b>729,267</b>	<b>888,075</b>

The financial statements on pages 13 to 23 were approved by the Board of Directors on 26 May 2011

Signed on behalf of the Board of Directors.



**M C Stoddart**  
Chairman



**P P Scales**  
Director

## Bamboo Investments (Isle of Man) PLC

### Consolidated reconciliation of movement in shareholders' funds (unaudited)

	Called up share capital £	Revenue reserve £	Revaluation reserve £	2010 Total £	2009 Total £
As at 1 January	198,419	541,267	274,506	1,014,192	1,042,205
Net gains on investments realised during the year	-	137,505	(137,505)	-	-
Cancellation of own shares	(37,064)	(162,934)	-	(199,998)	(249,999)
Movement in unrealised appreciation	-	-	(196,736)	(196,736)	157,300
Revenue return attributable to Shareholders	-	236,999	-	236,999	64,868
<b>As at 31 December</b>	<b>161,355</b>	<b>752,837</b>	<b>(59,735)</b>	<b>854,457</b>	<b>1,014,192</b>

### Consolidated cash flow statement (unaudited)

	Note	Year ended 31 December 2010 £	Year ended 31 December 2009 £
<b>Net cash flow from operating activities</b>	15	(43,331)	(61,554)
<b>Capital expenditure and financial investments</b>			
Disposals of investments		262,191	41,129
<b>Net cash flow from operating and investing activities</b>		218,860	(20,425)
<b>Corporate taxation (paid)/received</b>		(25,343)	15,651
<b>Equity dividends paid</b>		-	-
<b>Net cash flow before financing</b>		193,517	(4,774)
<b>Financing</b>			
Redemption of shares		(199,998)	(249,999)
<b>Decrease in cash</b>		<b>(6,481)</b>	<b>(254,773)</b>

## Bamboo Investments (Isle of Man) PLC

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### Notes to the financial statements (unaudited)

#### 1. Accounting policies

##### **Accounting convention**

The financial statements are prepared under the historic cost convention as modified by the revaluation of investments and in accordance with applicable Isle of Man law, the Statement of Recommended Practice issued by the Isle of Man Society of Chartered Accountants and the Association of Chartered Certified Accountants and applicable United Kingdom Accounting Standards.

*The principal accounting policies of the Group are set out as follows.*

##### **Basis of consolidation**

Bamboo Investments (Isle of Man) PLC was incorporated on 8 February 2005. During 2005 under a scheme of arrangement, Bamboo Investments Limited (formerly Bamboo Investments PLC) became a wholly owned subsidiary of Bamboo Investments (Isle of Man) PLC. This Group Reconstruction has been accounted for using the merger accounting principles set out in Financial Reporting Standard 6.

##### **Investment income**

Dividends receivable from listed shares are accrued from the date the shares are declared ex-dividend; income from unlisted shares is accounted for as dividends are received; interest on fixed interest securities is accounted for on an accruals basis.

Income receivable in the form of redemption premium is accounted for in the income statement on a time apportionment basis.

##### **Fixed asset investments**

Investments are held as fixed asset investments.

Fixed interest securities are valued at an amortised cost basis.

Unlisted investments are stated at Directors' valuation. The Directors base the valuations on the International Private Equity and Venture Capital Valuation Guidelines.

##### **Debtors and creditors**

Debtors do not carry any interest and are short term in nature and are accordingly stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. The Directors consider that the carrying amount of debtors approximates their fair value.

Creditors are non-interest bearing and are stated at their nominal value. The Directors consider that the carrying amount of creditors approximates their fair value.

##### **Taxation**

The charge for taxation is based upon the net profit for the year. Deferred taxation is provided in accordance with FRS 19 in full on all timing differences that result in an obligation at the balance sheet date to pay more tax or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred taxable assets are recognised to the extent that it is regarded as more likely than not that they are recoverable.

## Bamboo Investments (Isle of Man) PLC

### Notes to the financial statements (unaudited) (continued)

<b>2.</b>	<b>Investment income</b>	<b>Year ended 31 December 2010</b>	<b>Year ended 31 December 2009</b>
		<b>£</b>	<b>£</b>
	Loan stock interest	-	5,403
	Deposit interest	296	3,500
	<b>Total</b>	<b>296</b>	<b>8,903</b>
<b>3.</b>	<b>Operating loss is stated after charging:</b>	<b>Year ended 31 December 2010</b>	<b>Year ended 31 December 2009</b>
		<b>£</b>	<b>£</b>
	Directors emoluments	7,325	7,321
	Audit fees	-	-
	Other fees	-	-
<b>4.</b>	<b>Directors' emoluments</b>	<b>Year ended 31 December 2010</b>	<b>Year ended 31 December 2009</b>
		<b>£</b>	<b>£</b>
	Non-executive Directors' fees	7,325	7,321
	<b>Total</b>	<b>7,325</b>	<b>7,321</b>
<b>5.</b>	<b>Taxation on ordinary activities</b>		
	From 6 April 2007 the Company has been subject to the general rate of corporation income tax in the Isle of Man of 0%. The Company's subsidiaries are subject to UK corporation tax of 21% (2009: 21%)		
		<b>Year ended 31 December 2010</b>	<b>Year ended 31 December 2009</b>
		<b>£</b>	<b>£</b>
	<u>Current taxation</u>		
	UK corporation tax	246	(24,298)
	<b>Total current taxation</b>	<b>-</b>	<b>-</b>
	<u>Deferred tax</u>		
	Origination and reversal of timing differences	-	-
	<b>Total deferred tax</b>	<b>-</b>	<b>-</b>
	<b>Total tax on profits on ordinary activities</b>	<b>246</b>	<b>(24,298)</b>

## Bamboo Investments (Isle of Man) PLC

### Notes to the financial statements (unaudited) (continued)

Factors affecting the tax charge	Year ended 31 December 2010	Year ended 31 December 2009
	£	£
Profit on ordinary activities before taxation	236,753	88,984
Tax charge on Group profit on ordinary activities at standard Isle of Man tax rate of 0% (2009: 0%)	-	-
Tax charge on Group profits arising in UK at UK small company rate 21% (2009: 21%)	-	(25,589)
Release of prior year provision	246	1,291
<b>Total current taxation</b>	<b>246</b>	<b>(24,298)</b>

6. Earnings per share	Year ended 31 December 2010	Year ended 31 December 2009
Retained profit for the year	£236,999	£64,686
Weighted average number of shares in issue	4,233,650	4,925,402
<b>Earnings per share (pence)</b>	<b>5.60p</b>	<b>1.31p</b>

Reconciliation of earnings per share to total recognised gains per share	Year ended 31 December 2010	Year ended 31 December 2009
	p	p
Earnings per share (as above)	5.60	1.31
Unrealised (losses)/gains on investments revalued during year	(4.65)	3.20
<b>Total recognised gains arising in the year</b>	<b>0.95</b>	<b>4.51</b>

### 7. Profits of holding company

Of the profits for the financial year, a loss of £18,257 is dealt with in the accounts of Bamboo Investments (Isle of Man) PLC.

## Bamboo Investments (Isle of Man) PLC

### Notes to the financial statements (unaudited) (continued)

8.	Venture capital investments	31 December 2010	31 December 2009
		£	£
	<b>Group</b>		
	Venture capital portfolio b/f	1,205,340	1,096,295
	Accrued interest b/f	(700)	(750)
	<b>Directors' valuation b/f</b>	<b>1,204,640</b>	<b>1,095,545</b>
	Net unrealised depreciation b/f	1,169,519	1,309,864
	<b>Historic cost b/f</b>	<b>2,374,159</b>	<b>2,405,409</b>
	Additions	-	-
	Disposals	(761,403)	(31,250)
	<b>Historic cost c/f</b>	<b>1,612,756</b>	<b>2,374,159</b>
	Net unrealised depreciation c/f	(574,700)	(1,169,519)
	<b>Directors' valuation c/f</b>	<b>1,038,056</b>	<b>1,204,640</b>
	Accrued interest c/f	-	700
	<b>Venture capital portfolio c/f</b>	<b>1,038,056</b>	<b>1,205,340</b>
		£	£
	<b>Company</b>		
	Venture capital portfolio b/f	1,205,340	1,096,295
	Accrued interest b/f	(700)	(750)
	<b>Directors' valuation b/f</b>	<b>1,204,640</b>	<b>1,095,545</b>
	Net unrealised depreciation	(665,865)	(525,468)
	<b>Historic cost b/f</b>	<b>538,775</b>	<b>570,077</b>
	Additions	-	-
	Disposals	(72,465)	(31,250)
	<b>Historic cost c/f</b>	<b>466,310</b>	<b>538,827</b>
	Net unrealised appreciation	571,746	665,813
	<b>Directors' valuation c/f</b>	<b>1,038,056</b>	<b>1,204,640</b>
	Accrued interest c/f	-	700
	<b>Venture capital portfolio c/f</b>	<b>1,038,056</b>	<b>1,205,340</b>

## Bamboo Investments (Isle of Man) PLC

### Notes to the financial statements (unaudited) (continued)

9. Investment in subsidiaries	31 December 2010	31 December 2009
	£	£
<b>Company</b>		
B/f cost	5,000	5,000
Addition	-	-
Disposal	-	-
<b>Net book cost</b>	<b>5,000</b>	<b>5,000</b>

Under a scheme of arrangement dated 19 February 2005, Bamboo Investments (Isle of Man) PLC became the holding company of Bamboo Investments Limited (Formerly Bamboo Investments PLC).

Investment	Country of incorporation	Activity	Ordinary shares held
Bamboo Investments Limited	United Kingdom	Investment holding	100%
Bamboo (No 2) Limited	United Kingdom	Investment holding	100%

10. Debtors	31 December 2010	31 December 2009
	£	£
<b>Group</b>		
Trade debtors	642	1,339
Prepayments and accrued income	5,309	19,922
<b>Total</b>	<b>5,951</b>	<b>21,261</b>
	£	£
<b>Company</b>		
Trade debtors	642	1,339
Prepayments and accrued income	5,309	19,922
<b>Total</b>	<b>5,951</b>	<b>21,261</b>

## Bamboo Investments (Isle of Man) PLC

### Notes to the financial statements (unaudited) (continued)

<b>11.</b>	<b>Creditors: Amounts falling due within one year</b>	<b>31 December 2010</b>	<b>31 December 2009</b>
		<b>£</b>	<b>£</b>
	<b>Group</b>		
	Provision for UK corporation tax	-	25,589
	Accruals and deferred income	45,761	13,564
	<b>Total</b>	<b>45,761</b>	<b>39,153</b>
		<b>£</b>	<b>£</b>
	<b>Company</b>		
	Amounts due to subsidiary	130,190	156,707
	Accruals and deferred income	45,761	13,563
	<b>Total</b>	<b>175,951</b>	<b>170,270</b>
<b>12.</b>	<b>Creditors: Amounts falling due after more than one year</b>	<b>31 December 2010</b>	<b>31 December 2009</b>
		<b>£</b>	<b>£</b>
	<b>Group</b>		
	<i>Due between two and three years</i>		
	Provision for incentive fee b/f	202,839	244,918
	Amount paid during year	(8,373)	(50,000)
	Amount transferred to accruals	(40,000)	-
	Charge to profit and loss account during year	12,425	7,921
	<b>Provision for incentive fee c/f</b>	<b>166,891</b>	<b>202,839</b>
	<b>Company</b>		
	<i>Due between two and three years</i>	<b>£</b>	<b>£</b>
	Provision for incentive fee b/f	202,839	244,918
	Amount paid during year	(8,373)	(50,000)
	Amount transferred to accruals	(40,000)	-
	Charge to profit and loss account during year	12,425	7,921
	<b>Provision for incentive fee c/f</b>	<b>166,891</b>	<b>202,839</b>
<b>13.</b>	<b>Share capital</b>		
	<b>Company</b>		
		<b>Number</b>	<b>Nominal value £</b>
	<b>Authorised share capital upon incorporation and at 31 December 2010</b>	<b>400,000,000</b>	<b>20,000,000</b>
	<b>Allotted, called-up and fully paid</b>		
	At 31 December 2009	3,968,407	198,419
	Shares cancelled during the year	(741,289)	(37,064)
	<b>At 31 December 2010</b>	<b>3,227,118</b>	<b>161,355</b>

All shares are Ordinary shares of 5 pence each.

## Bamboo Investments (Isle of Man) PLC

### Notes to the financial statements (unaudited) (continued)

#### 14. Capital commitments

The Company and the Group had no financial commitments at 31 December 2010 (2009: £nil).

15. Reconciliation of operating income to net cash flow from operating activities	Year ended 31 December 2010	Year ended 31 December 2009
	£	£
Operating (loss)/profit	(55,589)	96,105
Decrease in debtors and accrued income	16,009	2,998
Increase/ (decrease) in creditors	(3,751)	(160,657)
<b>Net cash outflow from operating activities</b>	<b>(43,331)</b>	<b>(61,554)</b>

16. Reconciliation of net cash flow to movement in net funds	Year ended 31 December 2010	Year ended 31 December 2009
	£	£
Opening funds	29,583	284,356
Net changes in cash	(6,481)	(254,773)
<b>Closing funds</b>	<b>23,102</b>	<b>29,583</b>

17. Analysis of changes in net funds	Year ended 31 December 2010	Year ended 31 December 2009
	£	£
Opening cash at bank	29,583	284,356
Net changes in cash	(6,481)	(254,773)
<b>Closing cash at bank</b>	<b>23,102</b>	<b>29,583</b>

#### 18. Post balance sheet events

As at the date of this report, other than in the normal course of business, there were no post balance sheet events to report.

#### 19. Related party transactions

Albion Ventures LLP and Stonesfield Capital Limited are considered to be related parties, by virtue of the fact that they were, during the year, parties to a contract with the Company. During the year, advisory fees and incentive fees (inclusive of VAT) of a total value of £8,294 (2009: £65,000) were paid by the Company to Albion Ventures LLP. At the financial year end, the amount accrued to Albion Ventures LLP was £3,043 (2009: £21,516). The amount paid to Stonesfield Capital Limited was £2,144 (2009: £30,000) and the amount accrued at the year end was £31,646 (2009: £893)

Philip Scales is a Director of IOMA Fund and Investment Management Limited, which is administrator to the Company. During the year, £8,632 (2009: £8,180) were paid by the Company to IOMA. At the financial year end the amount accrued in respect to IOMA Fund and Investment Management Limited was £2,030 (2009: £2,030).

## Bamboo Investments (Isle of Man) PLC

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### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Bamboo Investments (Isle of Man) PLC (the "Company") will be held at IOMA House, Hope Street, Douglas, Isle of Man, IM1 1AP on 29 July 2011 at 3.00pm for the following purposes:

#### ORDINARY BUSINESS

To consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

- Resolution 1** To receive the report of the Directors and the audited financial statements for the year ended 31 December 2010.
- Resolution 2** To re-elect as Director Philip Scales, who retires in accordance with the Company's Articles of Association and, being eligible, offers himself for re-election.

By order of the Board

Philip Scales  
Company Secretary  
26 May 2011

Notes:

1. A member of the Company who is entitled to attend and vote at the above-mentioned annual general meeting is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him or her in respect of such shares. A proxy need not be a member of the Company.
2. A Form of Proxy is enclosed which, to be valid, must be completed and delivered, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy of such authority) to the Company's Registrar, IOMA Fund and Investment Management Limited, IOMA House, Hope Street, Douglas, Isle of Man IM1 1AP or sent by facsimile to + 44 (0)1624 681392 so as to arrive not later than 3.00pm on 27 July 2011 being 48 hours before the time of the meeting.
- 3 Completion and return of a Form of Proxy does not preclude a member from attending and voting in person should they wish to do so.
4. The Company, pursuant to Regulation 22 of the Uncertificated Securities Regulations 2005 (Isle of Man), specifies that only those members registered in the register of members as at 3.00pm on 27 July 2011 shall be entitled to attend or vote at the meeting in respect of the ordinary shares registered in their name at that time. Changes to entries on the register of members after 3.00pm on 27 July 2011 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

## Bamboo Investments (Isle of Man) PLC

### BAMBOO INVESTMENTS (ISLE OF MAN) PLC (the "Company")

#### Form of Proxy

For use at the Annual General Meeting of Bamboo Investments (Isle of Man) PLC to be held on 29 July 2011 at 3.00pm.

If you wish to vote at the Annual General Meeting but are unable to attend in person you may appoint a proxy to act on your behalf by completing this form.

I/We \_\_\_\_\_

Please insert name(s) in BLOCK CAPITALS

of \_\_\_\_\_

\_\_\_\_\_

being (a) member(s) of the above named Company hereby appoint the Chairman of the Meeting or (see note 3)

\_\_\_\_\_

as my/our proxy to vote for me/us on my/our behalf at the Meeting of the Company to be held at IOMA House, Hope Street, Douglas, Isle of Man IM1 1AP on 29 July 2011 at 3.00pm and at any adjournment thereof.

I/We direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X'. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is properly put before the Meeting.

**Please clearly mark the box below to instruct your proxy how to vote.**

Ordinary Business	For	Against	Withheld
1. To receive the report of the Directors and the audited financial statements for the year ended 31 December 2010			
3. To re-elect Philip Scales as a Director of the Company			

Signature: \_\_\_\_\_

Dated this: \_\_\_\_\_ day of \_\_\_\_\_ 2011

## Bamboo Investments (Isle of Man) PLC

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### Notes to the proxy form

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the space provided. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, additional proxy form(s) may be obtained from the Company's Registrar, IOMA Fund and Investment Management Limited at the address set out in note 6.
5. To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X'. To abstain from voting on a resolution, select the relevant "Withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
6. To appoint a proxy using this form, the form must be:
  - completed and signed;
  - sent or delivered to IOMA Fund and Investment Management Limited, IOMA House, Hope Street, Douglas, Isle of Man IM1 1AP, or sent by facsimile to +44 (0) 1624 681392; and
  - received by IOMA Fund and Investment Management Limited no later than 3.00pm on 27 July 2011.
7. In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
10. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.