29 June 2011

Kingswalk Investments Limited
Audited results for the year ended 31 December 2011

Kingswalk Investments Limited (AIM: KWI), the strategic investment company, today announces its audited results for the year ended 31 December 2011.

Period Highlights

- £800,000 raised in new equity;
- investments and divestments made in 25 small cap businesses; and
- at the end of the year, the Company had an aggregate of £337,529 invested in, or lent to, at least 20 different companies

Post Period Highlights

- Decision taken to focus on financial services sector investments;
- £700,000 raised in new equity;
- 33.3% holding taken in fast growing UK wealth manager, European Wealth Management Group plc ("European Wealth") which is expanding through a strategy of targeted acquisitions and organic growth; and
- Tim Revill, Roderick Gentry and Kishore Gopaul appointed to the Kingswalk Board.

Paul Everitt of Kingswalk Investment Limited, said:

> "*The Board is delighted with the investment in European Wealth and believes that financial services remains a sector with strong growth potential and is ripe for consolidation within which there is room for high quality businesses to grow and operate profitably. The perpetual increase in regulation coupled with the fact that individuals are today taking more interest and control over their own financial affairs means that building an integrated financial services business should attract significant premiums if well executed*."

The Company's Report and Accounts for the year ended 31 December 2011 will be posted to shareholders today and the full report is available to view and download from the Company's website at www.kingswalkinvestments.com .

ENDS

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DIRECTORS' REPORT

Introduction

We are pleased to present the results of Kingswalk Investments Limited ("Kingswalk" or the "Company") to shareholders for the year ended 31 December 2011.

Background

Kingswalk is an AIM quoted Guernsey registered investment company. Incorporated in 2004 and admitted to trading on AIM in 2005, the Company was initially focussed on investing in pre-IPO stage companies with a view to realising the investment once the investee company went public. In 2009, the Company's shareholders approved a broader investment policy for Kingswalk which included investing in, amongst

other things, public quoted companies across a wide range of sectors with no limit on the percentage ownership that Kingswalk could hold in any investee company.

Until relatively recently, Kingswalk has continued to make relatively small uncorrelated investments in a wide range of sectors (e.g. resources, technology, financial services). However, since the Company made its significant 33.3% investment in the fast growing UK wealth manager, European Wealth Management Group plc ("European Wealth") in April 2012, the board of Kingswalk ("the Board") has decided to focus on investing in financial services businesses. The Board's aim is to bring together high quality, complementary financial services businesses in order to build an integrated financial services group.

The Board believes that financial services remains a sector with strong growth potential and is ripe for consolidation within which there is room for high quality businesses to grow and operate profitably. The perpetual increase in regulation coupled with the fact that individuals are today taking more interest and control over their own financial affairs means that building an integrated financial services business could attract significant premiums if well executed.

Summary of activities

During the financial year under review, the Company successfully raised £0.8 million in new equity funds in January 2011; invested in and divested from at least 25 small cap public companies; made a number of mezzanine loans to growing companies; completed a small investment in a London based unquoted corporate finance business; and made a full provision against its investment in a private Dutch based security company. At the end of the year, the Company had an aggregate of £337,529 invested in, or lent to, at least 20 different companies.

By far Kingswalk's largest investment to date completed post year end when, in April 2012, the Company acquired a 33.3% stake in European Wealth, consideration for which was the issue of 92.0 million new ordinary shares of 1 pence each to the vendors ("the European Wealth Investment"). At the same time as the European Wealth Investment, the Company raised a further £0.7 million in new funds through the issue of new ordinary shares, the majority of which was lent on to European Wealth to strengthen its balance sheet.

The board of Kingswalk has been strengthened with the appointments of Mr Tim Revill in January 2012 and Mr Roderick Gentry and Mr Kishore Gopaul in April 2012. Mr Gentry is chief executive officer and Mr Gopaul is a non-executive director of European Wealth.

Investments

European Wealth
The Company's 33.3% investment in European Wealth is a transformational one for Kingswalk. European Wealth is a fast growing private wealth management business founded in 2010 with headquarters in London and offices in Brighton, Cheltenham, and Maidstone. Through its operating subsidiaries, which are authorised and regulated by the Financial Services Authority, European Wealth provides investment management and financial planning services. Since Kingswalk's investment in April 2012, European Wealth's assets under management ("AUM") have grown from approximately £155 million to approximately £170 million today with a further £100 million of AUM expected to be transferred over the next six months. European Wealth seeks to provide a highly personal service to its clients while building a scalable and recognisable brand and capitalising on back office synergies and cost savings.

Since inception, European Wealth has completed two acquisitions. The first acquisition was of Mathews Smith (Financial Consultants) Limited ('Mathews Smith'), a Maidstone-based independent financial adviser in March 2011 and the second was of Aventus Capital Management ("Aventus"), a Cheltenham-based investment management business previously owned by law firm Rickerbys LLP, in January 2012.

European Wealth has identified a number of further acquisition targets and is currently in detailed discussions with a number of these targets. One such target is a financial planning business based in the South East and another is a business with turnover of approximately £1.0 million specialising in managing group pension schemes. Kingswalk anticipates updating the market in respect of further growth in European Wealth in due course.

CMS Corporate Consultants ("CMS")

The Company acquired a 100% interest in CMS in January 2011. CMS is a London headquartered management and corporate consultant providing solutions and services to both private and quoted companes. CMS traded in line with expectations during 2011 and has started 2012 well with a number of new mandates secured.

Vermeesch Installaties BV ("Vermeesch")
Vermeesh was a Rotterdam based security installation and maintenance business in which Kingswalk acquired a minority stake in 2010. Towards the end of the financial year under review, the Board learnt of trading difficulties within Vermeesch and have therefore decided to provide in full for the carrying value of the investment of £165,000, together with loans made to Vermeesch of £71,460.

Quoted Company Portfolio
Approximately £0.2 million of the net proceeds from the Company's fundraising in January 2011 was invested across a number of mainly AIM quoted companies and one investment in a Danish quoted business. As at the year end, the Company had investments in 21 companies and the investment value was approximately £0.16 million. As at 26 June 2012, the value of the quoted investment portfolio was approximately £0.18 million.

Mezzanine loans
During the financial year ended 31 December 2011, the Company made a number of loans to investee and third party companies. Interest income and fees of £36,500 were generated in the period and amounts due for repayment at the year end stood at £140,000. £80,000 of this amount was settled in accordance with its terms post year end and the balance of £60,000 is expected to be settled shortly. In May 2012, the Company made an interest bearing loan of £640,000 to European Wealth such that, as at today's date, the Company has outstanding interest bearing loans to investee and third party companies of approximately £0.7 million.

Financial review

The Company's reported loss for the year was £555,108 (2010: £141,887 loss), £236,460 of which is attributable to the provision against the carrying value of the investment in Vermeesch. The Company recorded interest income of £36,500 and administration costs for 2011 were £250,496 (2010: £149,965). Administration costs included fees of approximately £72,000 associated with the £0.8 million fundraise in January 2011. The net losses on the carrying value of investments was £341,112 (2010: £3,382), of which £269,652 related to the reduction in carrying value of the equity investments, principally due to the provision against the carrying value of Vermeesch, and £71,460 in respect of the provision against the recoverability of the loan to Vermeesch, as described above..

The value of net assets at the year end improved to £379,123 (2010: £134,231), primarily due to the benefit of the net proceeds of January 2011 fundraise. At the year end, the Company had cash balances of £76,939 (2010: £681) and zero debt (2010: £25,000).

Share issues and capital reorganisation

In January 2011, the Company issued 40,000,000 new ordinary shares of 1 pence each ("Ordinary Shares") for cash at 2 pence per share to end the year with 93,171,673 Ordinary Shares in issue (2010: 53,171,673).

After the financial year end, in April 2012, in consideration for the 33.3% European Wealth Investment, Kingswalk issued and allotted 92,000,000 new Ordinary Shares to the vendors under authorities given at the 2011 AGM.

At the same time as announcing the European Wealth Investment, Kingswalk undertook a shareholder approved share capital reorganisation whereby each Ordinary Share was split into one new ordinary share of 0.1 pence each ("New Ordinary Share") and one deferred share of 0.9 pence each ("Deferred Share"). The New Ordinary Shares carry the same rights as previously attached to the Ordinary Shares (save for the reduction in nominal value).

The Deferred Shares do not entitle the holder to receive notice of or attend and vote at any general meeting of the Company or to receive a dividend or other distribution or to participate in any return of capital on a winding up other than the nominal amount paid on such shares. The Company has the right to redeem and

cancel the Deferred Shares from any Shareholder for a consideration of one penny in aggregate for all that Shareholder's Deferred Shares. As such, the Deferred Shares effectively have no value.

Following the share reorganisation being approved by Kingswalk's shareholders at the extraordinary general meeting held on 14 May 2012, the Company carried out a subscription to raise a further £0.7 million in new money through the issue and allotment of 93,333,333 New Ordinary Shares at a price of 0.75 pence each. Furthermore, the Company issued and allotted 3,200,000 New Ordinary Shares in settlement of £24,000 of loans made to the Company. Accordingly, as at today's date, Kingswalk has a total of 281,705,006 New Ordinary Shares, together with 185,171,673 Deferred Shares, in issue.

Investment policy

The Company's investment policy, as set out below, is the policy that was approved by its shareholders at the 2011 AGM. This policy will be put to shareholders at the Company's 2012 annual general meeting ("the 2012 AGM") to be held on 30 July 2012 at 12:00 noon.

The investment policy allows the Company to invest in a broad range of listed and unlisted businesses. The Company's investment policy allows the Board to evaluate potential investments from a wide variety of industry sectors and the Company will seek investments in sectors where there is potential for growth. This is likely to include sectors such as financial services, support services, resources and property, amongst others, where the Directors believe significant value resides. The Company will primarily focus on European businesses but will also consider investments in other geographical areas if appropriate.

The Company does not seek to limit the size of the investment or the size of the entities in which it invests and does not limit the percentage ownership that it may hold in any one company at any time. Accordingly, the Company's investment policy permits the Company to make investments of up to, and including, 100% of businesses.

The Company will not seek to have a fixed number of investments or seek to diversify the investments over particular sectors or particular indexes, however it is envisaged that the total number of investments at any given time will not exceed 50 investments. The Company will instead generally focus on diversifying the relative risks of investments. The Company does not intend at this stage to gear its investments but may consider doing so in the future if suitable funding arises.

The Company will generally be a passive investor in the entities in which it invests but if the Board or the Company's consultants are able to add value to the investee entity then the Company may take a more active stance. The Company's investment decisions will be based upon research prepared and presented to the Board by its appointed advisory panel of research consultants and advisers.

Director changes

The Company today announces that Mr Guus Berting and Mr Daan van den Noort are both to step down from the Company's board of directors at the 2012 AGM. The Board would like to extend its thanks to both Mr Berting and Mr van den Noort for their concerted efforts over the last few years.

Annual General Meeting

The Company's Annual General Meeting is be held at its registered office, being Roseneath, The Grange, St Peter Port, Guernsey, GY1 3SJ on 30 July 2012 at 12:00 noon. The notice of 2012 AGM, together with a form of proxy for use at the AGM has today been sent to shareholders.

Outlook

The Board is delighted with its investment in European Wealth and considers its aim to build an integrated financial services group around European Wealth will deliver strong shareholder returns. Kingswalk intends to continue to make small investments in, and mezzanine loans to, high growth, principally AIM quoted companies which assist in covering the Company's day to day cashflow.

The Directors would like to thank shareholders for their continued support.

KINGSWALK INVESTMENT LIMITED

INCOME STATEMENT
For the year ended 31 December 2011

		For the year ended 31 December 2011			For the year ended 31 December 2010		
	Note	**Revenue**	**Capital**	**Total**	**Revenue**	**Capital**	**Total**
		£	**£**	**£**	**£**	**£**	**£**
LOSSES ON INVESTMENTS							
Net losses on investments at fair value through profit and loss	2	-	(269,652)	(269,652)	-	(3,382)	(3,382)
Loan provision	2	-	(71,460)	(71,460)	-	-	-
		-	(341,112)	(341,112)	-	(3,382)	(3,382)
INCOME	1(b)						
Management charge		-	-	-	6,460	-	6,460
Loan interest		36,500	-	36,500	-	-	-
Loan waiver		-	-	-	5,000	-	5,000
		36,500	-	36,500	11,460	-	11,460
EXPENDITURE	1(e)						
Directors' fees		38,000	-	38,000	19,787	-	19,787
Administration fees		99,798	-	99,798	45,191	-	45,191
Professional fees		41,361	-	41,361	46,661	-	46,661
Consultancy fees		-	52,467	52,467	-	20,547	20,547
Audit fee		10,000	-	10,000	8,000	-	8,000
Interest expense		263	-	263	1,229	-	1,229
Regulatory and registration fees		8,607	-	8,607	8,550	-	8,550
		198,029	52,467	250,496	129,418	20,547	149,965
LOSS ON ORDINARY ACTIVITIES FOR THE FINANCIAL YEAR		(161,529)	(393,579)	(555,108)	(117,958)	(23,929)	(141,887)
Loss per share: - basic (pence per share)	3	(0.17)	(0.43)	(0.6)	(0.26)	(0.05)	(0.31)

All revenue and capital items in the above statement derive from continuing operations.

No operations were acquired or discontinued during the year.

The Company had no recognised gains or losses other than those shown in the Income Statement.

BALANCE SHEET
As at 31 December 2011

	Note	Company 2011 £	Company 2010 £
Assets			
Non-current assets			
Investments at fair value through profit and loss	2	197,529	226,181
		197,529	226,181
Current assets			
Loans receivable		140,000	-
Other debtors and prepayments		19,438	7,735
Cash and cash equivalents		76,939	681
		236,377	8,416
Total assets		**433,906**	**234,597**
Liabilities			
Current liabilities			
Loans payable		-	(25,000)
Other creditors and accruals	5	(54,783)	(75,366)
Total liabilities		**(54,783)**	**(100,366)**
Total assets less current liabilities		**379,123**	**134,231**
Share capital and reserves			
Called up share capital	7	931,717	531,717
Share premium account		4,748,205	4,348,205
Reserves		(5,300,799)	(4,745,691)
Total equity		**379,123**	**134,231**
Net asset value per share (pence per share)	4	0.41	0.25

CASH FLOW STATEMENT
For the year ended 31 December 2011

	Notes	For the year ended 31 December 2011 £	31 December 2010 £
Net cash outflow from operating activities	6(a)	(317,742)	(113,534)
Capital expenditure and financial investment	6(b)	(381,000)	(2,601)
Cash outflow before financing		(698,742)	(116,135)
Financing	6(c)	775,000	90,000
Increase / (decrease) in cash for the year	6(d)	76,258	(26,135)

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
For the year ended 31 December 2011

	Called up Share Capital £	Share Premium Account £	Reserves Revenue £	Reserves Capital £	Reserves Total £
Balance at 1 January 2010	425,050	4,254,872	(884,703)	(3,719,101)	(4,603,804)
Net loss for the year	-	-	(117,958)	(23,929)	(141,887)
Issue of shares in the year	106,667	93,333	-	-	-
Balance at 1 January 2011	531,717	4,348,205	(1,002,661)	(3,743,030)	(4,745,691)
Net loss for the year	-	-	(161,529)	(393,579)	(555,108)
Issue of shares in the year	400,000	400,000	-	-	-
Balance at 31 December 2011	931,717	4,748,205	(1,164,190)	(4,136,609)	(5,300,799)

Notes to the Financial Statements
31 December 2011

1 ACCOUNTING POLICIES

(a) CONVENTION

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments and in accordance with applicable United Kingdom accounting standards. The Directors have chosen to adopt the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" issued by The Association of Investment Trust Companies in January 2009. The principal accounting policies which the Directors have adopted are set out below.

(b) INCOME

Dividends receivable from equity investments are recognised on the ex-dividend date. Dividends receivable from equity investments where no ex-dividend date is quoted are recognised when the Company's right to receive payment is established. Interest receivable on cash deposits and loans is accounted for using the effective interest rate method.

(c) FOREIGN CURRENCY

The Directors have considered and will continue to consider the primary economic environment of the Company and have considered and will continue to consider the currency in which the original finance was raised and ultimately what currency would be returned to investors on a break up basis. The directors have also considered the currency to which the underlying investments are exposed. On balance, the directors believe sterling best represents the functional currency of the Company. Sterling is also the presentational currency.

Assets and liabilities denominated in currencies other than sterling (where relevant) have been translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions were made during the period under review in Euros as well as Sterling and those transactions in Euros have been translated at the rates of exchange ruling at the date of each transaction.

(d) FINANCIAL INSTRUMENTS

The Company's financial instruments fall into the categories discussed below with the allocation depending to an extent on the purpose for which the instrument was acquired. Unless otherwise indicated, the carrying amounts of the Company's financial instruments are a reasonable approximation of their fair values.

(i) Investments held at fair value through profit and loss

Classification

All investments are classified as "fair value through profit and loss". These financial assets are designated by the Board of Directors at fair value through profit or loss at inception.

Financial assets designated at fair value through profit and loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Company's documented investment strategy. The Company's policy is for the Board of Directors to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Recognition

Purchases and sales of investments are recognised on the trade date or the date on which the Company commits to purchase or sell the investment. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Measurement

Financial assets at fair value through profit and loss are initially recognised at fair value. Transaction costs are expensed in the income statement. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement in the period in which they arise.

Fair value estimation

Quoted investments are valued at bid price.

Unquoted investments are valued by the Board according to the valuation principles of the European Private Equity and Venture Capital Association as set out in the International Private Equity and Venture Capital Valuation Guidelines (Published June 2005, amended October 2006). As at 31 December 2011, the Company's unquoted investments were valued at £40,000 (2010: £165,000). This is at cost for the one investment acquired during the year and zero value for the other unquoted investment acquired in the prior financial year, which was fully provided for during the year. The Directors consider this to be their respective Fair Values at 31 December 2011.

Because of the inherent uncertainty associated with the valuation of such investments and the absence of a liquid market, these fair values may differ from the realisable values, and differences could be material.

Realised gains or losses on the disposal of investments are taken to the capital reserve - realised. Unrealised gains or losses on revaluation of investments are taken to the capital reserve - unrealised.

(ii) Receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They consist of loans receivable, other debtors and cash and cash equivalents, but also incorporate other types of contractual monetary assets. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. The effect of discounting on these financial instruments is not considered to be material.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

(iii) Financial liabilities measured at amortised cost

These include;

- other creditors and accruals which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method; and
- loans payable which are initially recognised at fair value net of attributable transaction costs incurred. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method.

Other creditors and accruals primarily comprise amounts outstanding for ongoing costs. The Company has a financial risk management procedure in place to ensure all payables are paid within the credit timeframe.

(iv) Share capital

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet

the definition of a financial liability.

(v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(vi) Effective interest rate method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instruments but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

(e) EXPENDITURE

All expenses are accounted for on an accruals basis. Expenses that are directly attributable to the management of investments are allocated directly to capital in the income statement. With the Directors' long term target for returns on investments being entirely capital gain there is no requirement to apportion these expenses between revenue and capital.

(f) SHARE BASED PAYMENTS

The Company makes equity-settled share-based payments to certain consultants. Share based payments are measured at fair value as at the date of grant. The fair value determined at grant date is expensed on a straight line basis over the period the service was received.

(g) GOING CONCERN

The Directors have reviewed the current budgets and cash flow projections for a period of more than 12 months from the date of this report and, taking into account the Company's current cash balances and available facilities, the Directors have prepared the financial statements on the going concern basis.

(h) FINANCE COSTS

Finance costs incurred by the Company are allocated as either a revenue or capital expense. In the year under review, all interest costs were incurred in relation to the ongoing costs of the Company and not in relation to the investments held by the Company.

2 INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

	Listed	Unlisted	Total
	£	£	£
1 January 2011	61,181	165,000	226,181
Additions	201,000	40,000	241,000
	262,181	205,000	467,181
Changes in fair value			

- Realised	-	-	-
- Unrealised	(104,652)	(165,000)	(269,652)
	(104,652)	(165,000)	(269,652)
31 December 2011	157,529	40,000	197,529

On 9 December 2011, Vermeesch Installaties B.V. ("Vermeesch") a company in which Kingswalk had acquired a 49% investment in 2010 for a consideration of £165,000, went into administration. Accordingly, full provision has been made against the value of Kingswalk's investmet in Vermeesch. During the year ended 31 December 2011, Kingswalk made a loan to Vermeesch which, together with interest due, totalled £71,460 at the year end. The directors of Kingswalk have made full provision against the recovery of this loan.

On 19 January 2011, the Company acquired a 100% investment in the issued share capital of CMS Corporate Consulting Ltd ("CMS") for £40,000. CMS has been accounted for as an investment as the Company does not have any board control of CMS. As at 31 December 2011, CMS had unaudited net assets of £47,292 and for the year ended 31 December 2011 recorded unaudited turnover of £449,651 and a net loss of £30,167.

3 LOSS PER SHARE

The calculation of basic loss per share is based on the net loss on ordinary activities after tax for the year and on 91,089,481 shares (2010: 45,018,249) being the weighted average number of shares in issue during the year.

FRS 22: "Earnings Per Share" defines dilution as a reduction in earnings per share or as an increase in loss per share. When calculating the diluted loss per share for the year the loss decreased. Accordingly the diluted loss per share is not disclosed as per FRS 22. The Company has 800,000 share options and 500,000 warrants over ordinary shares in issue which could potentially dilute basic earnings per share in the future.

4 NET ASSET VALUE PER SHARE

The calculation of net asset value per share is based on the net assets of £379,123 (2010: £134,231) and on the ordinary shares in issue of 93,171,673 (2010: 53,171,673) at the balance sheet date.

5 OTHER CREDITORS AND ACCRUALS

	31 December 2011	**31 December 2010**
	£	£
Audit fees	10,000	10,000
Consultancy fees	6,918	13,333
Professional fees	1,462	11,250
Administration fees	28,403	27,266
Directors' fees	8,000	11,667
Sundry creditors	-	1,850
	54,783	75,366

6 NOTES ON THE CASH FLOW STATEMENT

(a) Reconciliation of revenue loss to net cash outflow from operating ativities

	31 December 2011	**31 December 2010**

	£	£
Net revenue loss on ordinary activities for the year	(161,529)	(117,958)
Loan waiver	-	(5,000)
Loan provision	(71,460	-
Expenses charged to capital	(52,467)	(20,547)
(Increase) / decrease in debtors	(11,703)	(6,010)
(Decrease) / increase in creditors	(20,583)	35,981
Net cash outflow from operating activities	(317,742)	(113,534)

(b) Capital expenditure and financial investment

	31 December 2011	31 December 2010
	£	£
Receipts from sale of investments	-	22,399
Acquisition of investments	(241,000)	(25,000)
Loan made	(140,000)	-
Net cash flow for capital expenditure and financial investment	(381,000)	2,601

(c) Financing

	31 December 2011	31 December 2010
	£	£
Loans payable repaid	(25,000)	-
New loan received	-	30,000
Issue of equity share capital	800,000	60,000
Net cash inflow from financing	775,000	90,000

(d) Reconciliation of net cash flow to movement in net funds

	31 December 2011	31 December 2010
	£	£
Increase / (decrease) in cash for the year	76,258	(26,135)
Cash flow from decrease / (increase) in debt finance	25,000	(25,000)
Change in net debt resulting from cash flows	101,258	(51,135)
net (debt) / funds at 1 January	(24,319)	26,816
Net funds / (debt) at 31 December	76,939	(24,319)

(e) Analysis of net debt	At 1 January 2011	Cashflow	At 31 December 2011
	£	£	£
Cash and cash equivalents	681	76,258	76,939

Loan payable	(25,000)	25,000	-
	(24,319)	101,258	76,939

7 SHARE CAPITAL

	31 December 2011 £	31 December 2010 £
Authorised		
200,000,000 Ordinary Shares of £0.01 each	2,000,000	2,000,000
Allotted and fully paid		
93,171,673 Ordinary Shares of £0.01 each (2010: 53,171,673)	931,717	531,717

On 24 January 2011, the Company issued and allotted 40,000,000 Ordinary Shares of 1p each fully paid at 2p per Ordinary Share to raise new funds for the Company totalling £800,000.

On 30 April 2012, the Company announced the issue and allotment of 92,000,000 Ordinary Shares or 1p each in consideration for the acquisition of 33.3% of the issued share capital of European Wealth Management Group plc. On the same day, the Company announced, subject to the approval of its shareholders which was sought at the extraordinary general meeting held on 14 May 2012, its intention to undertake a share capital reorganisation and issue and allot 93,333,333 New Ordinary Shares of 0.1p each fully paid at 0.75p per New Ordinary Share in order to raise new funds for the Company totalling £700,000.

On 14 May 2012, the Company issued and allotted 3,200,000 Mew Ordinary Shares of 0.1p each is settlement of an outstanding loan to the Company valued at £24,000.

As at the date of this announcement, the Company has an aggregate of 281,705,006 New Ordinary Shares of 0.1p in issue.

The Company's Report and Accounts for the year ended 31 December 2011 will be posted to shareholders today and the full report is available to view and download from the Company's website at www.kingswalkinvestments.com.