

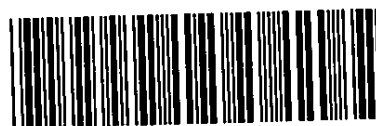
JO HAMBRO

INVESTMENT MANAGEMENT
a CREDIT SUISSE GROUP company

Annual Report and Accounts

Year Ended 31st December 2011

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COMPANIES HOUSE

Registered in England No. 2042285

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Directors' Report**Principal Activities**

The principal activities of J O Hambro Investment Management Ltd ("the Company" or "JOHIM") are discretionary investment management on behalf of private clients, charities, trusts and collective investment vehicles and the management of other specialist funds including hedge funds

Business Review**Profile**

JOHIM is a specialist investment house focused on the discretionary management of portfolios for private individuals, their related family interests and intermediate customers JOHIM also manages charities and other specialist investment portfolios

For its private clients, JOHIM manages bespoke equity oriented portfolios on a fully discretionary basis, agreeing a specific investment objective with each client on a case by case basis JOHIM client portfolios include traditional growth, balanced or income mandates as well as specialist geographic mandates (Europe, UK, Asia/Japan, etc) JOHIM also manages fixed income and multi-asset class portfolios

JOHIM manages a range of regulated onshore and offshore funds In addition, JOHIM manages two unregulated equity long/short funds

Performance

The results for the year show profits after tax of £4.5m (2010: £3.2m) During the year Assets Under Management ("AUM") fell by £110m from £3,471m to £3,361m Inflows for the year were £517m (2010: £441m), Net New Assets for the year were £140m (2010: -£58m) Capital adequacy cover as at 31 December 2011 was 5 times the required liquid capital (2010: 5)

Equity markets during 2011 were volatile with the FTSE World Index Total Return down 5.79% in GBP terms which is reflected in decreased turnover £24,338k (2010: £25,486k) However, operating profit rose to £5,996k (2010: £4,279k) as a result of a fall in Administrative expenses and no exceptional item as in 2010 (FSCS Levy) There remains significant volatility in the markets with sovereign debt and economic recovery at the fore-front of investor concern, the business recognises the risk that this volatility could impact future performance

Dividends

Dividends of £2m were paid during 2011 (2010: £2m) The Directors do not propose another dividend in respect of the year ended 31 December 2011

Directors and Directors' Interests

The Directors of the Company who served during the year, are listed below

J A Anderson*
H J Grootenhuys*
W A M Francklin

The Non Executive Directors of the Company who served during the year, are listed below

A R Bonsor
M Hirst
A John
J Leng
Sir B Williamson
J Leigh-Pemberton

Resigned 30th December 2011

The Company is a 74% subsidiary of JOHIM (Holdings) Ltd. The Company is a 26% associate of J O Hambro Asset Management Ltd, a fully owned subsidiary of JOHIM (Holdings) Ltd. Directors marked with * are also Directors of JOHIM (Holdings) Ltd. Their interests in the share capital of that undertaking are disclosed in its financial statements.

FSA

The Company is authorised and regulated by the UK Financial Services Authority ("the FSA")

Insurance

Throughout the year, the Company maintained insurance to provide protection for clients against losses arising from any negligence or dishonesty of its employees.

Donations

Charitable donations made by the Company during the year amounted to £31,114 (2010: £35,871)

Political donations made by the Company during the year amounted to nil (2010: nil)

Risk Management

The policies of JOHIM on risk management are set out in Note 23 to the financial statements.

Disclosure of Information to Auditors

The Directors who held office at the date of approval of this Directors' Report confirm that so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Employee Involvement and Employment of Disabled Persons

The Company gives full and fair consideration to disabled persons in employment applications, training and career development including those who become disabled during their period of employment

The Credit Suisse group has a Disability Interest Forum in place in the UK as an initiative This forum

- provides a support network,
- facilitates information sharing for those with a disability or for those caring for a family member or friend with a disability, and
- Invites all those who want to participate and who have an interest

The forum raises awareness of issues related to disability and promotes an environment where disabled employees are supported and are given the opportunity to reach their full potential

Creditor Policy

The Company's policy concerning the payment of suppliers is to agree terms of payment in advance and to make the payment in accordance with agreed terms and any other legal obligations The mean number of trade creditor days during 2011 was 25 days (2010 23 days)

Auditors

Pursuant to Section 487 of the Companies Act 2006, KPMG Audit Plc continues in office as the Company's auditor

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the Directors' Report and 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 they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

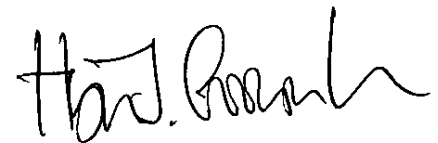
Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRS as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Signed on behalf of the Board of Directors on 26th April 2012

By order of the Board



Hugh Grootenhuys
Chief Executive Officer
21 St James's Square
London
SW1Y 4HB

Independent Auditor's Report to the Members of J O Hambro Investment Management Limited

We have audited the financial statements of J O Hambro Investment Management Limited for the year ended 31 December 2011 set out on pages 7 to 29. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Nicholas J Edmonds (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
26th April 2012

Statement of Comprehensive Income**For the year ended 31 December 2011**

	Note	2011 £000	2010 £000
Revenue	4	24,338	25,486
Administrative expenses	5	(18,342)	(20,337)
Additional FSCS levy		–	<u>(870)</u>
Operating profit		5,996	4,279
Other income	8	<u>292</u>	<u>256</u>
Profit before taxation		6,288	4,535
Income tax charge	9	<u>(1,778)</u>	<u>(1,354)</u>
Profit after tax attributable to equity holders of the Company		<u>4,510</u>	<u>3,181</u>

All profits for both 2011 and 2010 are from continuing operations

The notes on pages 11 to 29 form part of these financial statements

Statement of Financial Position
As at 31 December 2011

	Note	2011 £000	2010 £000
Non-current assets			
Property, plant and equipment	10	318	306
Current assets			
Trade and other receivables	12	5,794	7,917
Other assets	13	854	624
Deferred tax asset	18	841	1,026
Cash and cash equivalents	11	30,493	29,498
Total assets		<u>38,300</u>	<u>39,371</u>
Current liabilities			
Trade and other payables	15	3,682	4,628
Financial liabilities	16	576	1,847
Intercompany liability		4,538	4,411
Corporate tax liabilities	9	1,593	1,809
Non-current liabilities			
Long term debt	24	-	764
Provision for restoration costs	17	300	300
Long term staff liabilities		2,221	2,732
Total liabilities		<u>12,910</u>	<u>16,491</u>
Capital and reserves			
Issued share capital	19	23	23
Share premium account		313	313
Profit and loss account		25,054	22,544
Total equity		<u>25,390</u>	<u>22,880</u>
Total equity and liabilities		<u>38,300</u>	<u>39,371</u>

The notes on pages 11 to 29 form part of these financial statements

These financial statements were approved by the Board of Directors on 26th April 2012 and signed on its behalf by



Hugh Grootenhuis
Chief Executive Officer

Statement of Changes in Equity

For the year ended 31 December 2011

	Share Capital £000	Share Premium £000	Retained Earnings £000	Total £000
Balance as at 1 January 2010	23	313	21,363	21,699
Profit after tax	-	-	3,181	3,181
Dividend paid	-	-	(2,000)	(2,000)
Balance as at 31 December 2010	23	313	22,544	22,880
Profit after tax	-	-	4,510	4,510
Dividend paid	-	-	(2,000)	(2,000)
Balance as at 31 December 2011	23	313	25,054	25,390

Statement of Cash Flows

For the year ended 31 December 2011

	Note	2011 £000	2010 £000
Cash flows from operating activities			
Profit after tax for the year		4,510	3,181
Adjustments to reconcile net profit to net cash provided by/(used in) operating activities			
Non-cash items included in profit before tax and other adjustments			
Depreciation and amortisation on property, plant and equipment and intangible assets	5	139	255
Loss on disposal of property, plant and equipment	5	9	-
Foreign exchange (gains) / losses	5	61	(61)
Adjustments for:			
Net decrease/(increase) in operating assets		2,078	2,531
Trade and other receivables		2,123	2,973
Other assets		(45)	(442)
Net increase/(decrease) in operating liabilities		(3,581)	(689)
Trade and other payables		(946)	(2,223)
Other liabilities		(2,635)	1,534
Net cash flow from operating activities		3,216	5,217
Investing activities			
Capital expenditure for property, plant and equipment	10	(160)	(36)
Net cash flow used in investing activities		(160)	(36)
Financing activities			
Dividends paid		(2,000)	(2,000)
Net cash flow used in financing activities		(2,000)	(2,000)
Net increase in cash and cash equivalents		1,056	3,181
Cash and cash equivalents at the beginning of the year		29,498	26,256
Effect of exchange rate fluctuations on cash held	5	(61)	61
Cash and cash equivalents at the end of the year	11	30,493	29,498

Notes to the financial statements**1) General**

J O Hambro Investment Management Limited ("the Company" or "JOHIM") is domiciled in England and Wales. The address of the Company's registered office is 21 St James's Square, London, SW1Y 4HB.

2) Significant accounting policies**a) Statement of compliance**

The Company's financial statements have been prepared on a going concern basis and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRS") and the International Financial Reporting Interpretations Committee ("IFRIC")

b) Basis of preparation

The financial statements are presented in pounds sterling ('GBP'), rounded to the nearest thousand. They are prepared on the historical cost basis except for share-based payments which are accounted for at fair value.

The preparation of financial statements in conformity with adopted IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Critical accounting estimates and judgements applied to these financial statements are set out in Note 3.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision has a significant effect on both current and future periods.

Standards and interpretations**Standards and interpretations affecting the financial statements**

The Company has adopted the following amendments and interpretations in the current year:

- **Revised IAS 24 Related Party Disclosures** In November 2009, the International Accounting Standards Board (IASB) issued revisions to IAS 24 "Related Party Disclosures" (IAS 24). The objective of the revised IAS 24 is to simplify and ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties. The Company has adopted the revisions to IAS 24 and did not have a material impact on the existing related party disclosures. For further information, refer to Note 24 – Related Parties.
- **Improvements to IFRSs 2010** In May 2010, the IFRS issued "Improvements to IFRSs", which contains numerous amendments to IFRS that the IASB considers non-urgent but necessary. The "Improvements to IFRSs" comprise amendments that result in accounting changes for presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. The adoption of "Improvements to IFRSs" did not have a material impact on the Company's financial position, results of operations or cash flows. The disclosures required as a result of adoption are included in the notes to the financial statements for the year ending 31 December 2011. For further information, refer to Note 23 – Financial Instruments Risk Position.
- **Prepayments of a minimum funding requirement (Amendments to IFRIC 14)** In November 2009, the IASB issued "Prepayments of a Minimum Funding Requirement" (Amendments to IFRIC 14). The adoption of Amendments to IFRIC 14 did not have a material impact on the Company's financial position, results of operations or cash flows.

- Improvements to IFRSs 1, 7 and 34 (issued May 2010) (adoption dates vary but improvements are mandatory for the year commencing on or after 1 July 2010 or 1 January 2011) The adoption of these improvements did not have a material impact on the Company's financial position, results, operations or cash flows

Standards and Interpretations endorsed by the EU and not yet effective

- Amendments to IFRS 7, "Financial Instrument Disclosures" – Transfers of Financial Assets The amendments improved the understanding of transfer transactions of financial assets (for example, securitisations) by users of financial statements, including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendments are effective for annual periods beginning on or after 1 July 2011. As the amendments are for disclosures only, the adoption of the standard will not have a material impact on the Company's financial position, results of operation or cash flows

Standards and Interpretations not endorsed by the EU and not yet effective

The Company is not required to adopt the following standards and interpretations which are issued by the IASB but not yet effective and have not yet been endorsed by the EU

- IFRS 9 Financial Instruments In November 2009 the IASB issued IFRS 9 "Financial Instruments" (IFRS 9) covering the classification and measurement of financial assets which introduces new requirements for classifying and measuring financial assets. In October 2010, the IASB reissued IFRS 9, which incorporated new requirements on the accounting for financial liabilities. The effective date of IFRS 9 was revised in December 2011, making it applicable for annual periods beginning 1 January 2015. The Company is currently evaluating the impact of adopting IFRS 9
- IFRS 13 Fair Value Measurement In May 2011, the IASB issued IFRS 13 "Fair Value Measurement" (IFRS 13). IFRS 13 defines fair value, sets out a framework for measuring fair value and requires disclosure requirements about fair value measurements. IFRS 13 applies to IFRSs that require or permit fair value measurements or disclosures about fair value measurements, except in specified circumstances. IFRS 13 is effective for annual periods beginning on or after 1 January 2013. The Company is currently evaluating the impact of adopting IFRS 13
- IFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities In December 2011, the IASB issued amendments to IFRS 7 – "Disclosures – Offsetting Financial Assets and Financial Liabilities" (IFRS 7). The amendments require disclosures about the effect or potential effects of offsetting financial assets and financial liabilities and related arrangements on an entity's financial position. The amendments are effective for annual periods beginning on or after 1 January 2013. As the amendment requires disclosures only it will not have a material impact on the Company's financial position, results of operations or cash flows
- IAS 32 Offsetting Financial Assets and Financial Liabilities In December 2011, the IASB issued amendments to IAS 32 "Offsetting Financial Assets and Financial Liabilities" (IAS 32). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 'Financial Instruments – Presentation'. The amendments are effective for annual periods beginning on or after 1 January 2014. The Company is currently evaluating the impact of adopting the IAS 32 amendments
- Amendments to IAS 1 Presentation of Items of Other Comprehensive Income In June 2011, the IASB issued "Presentation of Items of Other Comprehensive Income" (Amendments to IAS 1). The amendments require entities to group together items within Other Comprehensive Income that will and will not subsequently be reclassified to the profit or loss section of the income statement. The amendments also reaffirm existing requirements that items in Other Comprehensive Income and profit or loss should be presented as either a single statement or two consecutive statements. The amendments are effective for annual periods beginning on or after 1 July 2012. As the amendments impact presentation only, they will not have a material impact on the Company's financial position, results of operations or cash flows

- Amendments to IAS 19 Employee Benefits: In June 2011, the IASB issued Amendments to IAS 19 "Employee Benefits" (IAS 19). Among other changes, the amendments eliminate the option that allowed an entity to defer the recognition of changes in net defined benefit liability and amend the disclosure requirements for defined benefit plans and multi-employer plans. The amendments are effective for annual periods beginning on or after 1 January 2013. The Company is currently evaluating the impact of adopting the IAS 19 amendments.

c) Foreign currency

The Company's functional currency is GBP. Transactions denominated in currencies other than GBP are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to GBP at the foreign exchange rate ruling at that date. Foreign exchange differences arising from translation are recognised in the Statement of Comprehensive Income. Non-monetary assets and liabilities denominated in foreign currencies at the balance sheet date are not re-valued for movements in foreign exchange rates.

d) Cash and cash equivalents

For the purpose and preparation of the Statement of Financial Position and Statement of Cash Flows, cash and cash equivalents are defined as short-term, highly liquid instruments with original maturities of three months or less and that are held for the purpose of cash management.

e) Financial assets

Management determines the classification of the Company's financial assets at initial recognition into one of the following categories: loans and receivables, held-to-maturity financial assets, available-for-sale financial assets and financial assets at fair value through profit or loss, and re-evaluates this designation at each reporting date as management determine applicable.

Loans and receivables are recognised when cash is advanced to borrowers. They are initially recorded at fair value plus any directly attributable transaction costs and subsequently carried at amortised cost less impairment loss.

The Company assesses at each balance sheet date whether there is objective evidence that a receivable position or a portfolio of such positions is impaired. An individual receivable position or portfolio of positions is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more loss events that occurred after the initial recognition of the asset and prior to the balance sheet date ('a loss event') and that loss event or events has had an impact on the estimated future cash flows of the financial asset or the portfolio that can be reliably estimated. The amount of the loss is recognised in the Statement of Comprehensive Income.

An allowance for impairment is reversed only when the credit quality has improved such that there is reasonable assurance of timely collection of the receivable balance in accordance with the original contractual terms of the agreement.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Company has transferred substantially all of the risks and rewards of ownership.

f) Financial liabilities

Financial liabilities include intra-group borrowings, external borrowings, overdrafts and payables. Intra-group, external borrowings and payables are recognised initially at fair value net of transaction costs. Borrowings are classified as current unless the Company has an unconditional right to defer the liability for at least 12 months after the balance sheet date.

g) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case the income tax is recognised in equity. For items initially recognised in equity and subsequently recognised in the Statement of Comprehensive Income, the related income tax initially recognised in equity is also subsequently recognised in the Statement of Comprehensive Income.

Current tax is the expected tax payable on the taxable income for the year and includes any adjustment to tax payable in respect of previous years. Current tax is calculated using tax rates enacted or substantially enacted at the balance sheet date.

For UK corporation tax purposes the Company may surrender or claim losses from another UK group Company. The surrendering Company will be compensated in full for the value of the tax losses surrendered by the claimant Company.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax-base. The principal temporary differences arise from the depreciation of property, plant and equipment and other short term temporary differences. The amount of deferred tax provided is based on the amount at which it is expected to recover or settle the carrying amount of assets and liabilities on the balance sheet, using tax rates enacted or substantially enacted at the balance sheet date.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax liability is recognised on taxable temporary differences arising on un-remitted earnings of subsidiaries except to the extent that it is probable that such temporary differences will not reverse in the foreseeable future.

Information as to the calculation of income tax on the profit or loss for the periods presented is included in Note 9.

h) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred. Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Leasehold improvements	Between purchase date and next lease break date
Furniture, fittings and equipment	4 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the Statement of Comprehensive Income.

i) Intangible assets

Intangible assets consist primarily of internally developed software. Expenditure on internally developed software is recognised as an asset when the Company is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software.

Intangible assets are stated at cost less accumulated amortisation and impairment losses, and are amortised over an estimated useful life of 4 years using the straight-line method upon completion or utilisation. The amortisation of intangible assets is included in the Statement of Comprehensive Income.

j) Provision for restoration costs

Provision has been made for the cost of restoring the leased property to its original condition at the end of the lease period, currently expected to be approximately £300k. The lease expires on 24 September 2015 and the provision is based on the estimate of the current cost of the work required. This is assessed at each balance sheet date.

k) Operating leases

The total payments made under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any early termination payment required to be made to the lessor is recognised as an expense in the period in which termination takes place.

l) Revenue

Revenue primarily consists of management fees, performance fees, net commission on dealing and the net margin derived from placing client funds on deposit. All amounts are calculated on an accrued basis where such income is reasonably foreseeable or recognised as the Company gains the right to be paid.

m) Interest income and expense

Interest income and expense includes interest income and expense on the Company's financial instruments owned, short-term and long-term borrowings. These are recorded using the effective interest rates of the financial assets or financial liabilities to which they relate.

n) Retirement benefit costs

The Company has only defined contribution pension plans. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Statement of Comprehensive Income as incurred.

o) Share based compensation

The Company grants shares in its ultimate parent company Credit Suisse Group ('CSG') to certain employees. The Company purchases CSG shares from Credit Suisse Equity Based Compensation AG ('CSEBC'), another CSG company, upon settlement and then transfers those shares or their cash equivalent to its employees.

The Company accounts for share based transactions with its employees as cash settled share based transactions as the Company has the legal obligation to settle the arrangement by delivering an asset that is not an equity instrument of the Company. This entails the recognition of a liability, incurred and related to share-based payments, over the service period and in proportion to the service delivered at fair value. If the employee is eligible for normal or early retirement the award is expensed over that shorter required service period. The fair value of the liability is re-measured until the liability is settled and the changes in fair value are recognised in the Statement of Income.

p) Dividends

Dividends are recognised as a reduction of equity when declared along with the corresponding liability that represents the amount payable.

3) Critical accounting estimates and judgements in applying accounting policies

In order to prepare the financial statements in accordance with IFRS, management is required to make certain accounting estimates to ascertain the value of assets and liabilities. These estimates are based upon judgement and the information available at the time, and actual results may differ materially from these estimates. Management believes that the estimates and assumptions used in the preparation of the financial statements are prudent, reasonable and consistently applied. For further information on significant accounting pronouncements, refer to note 2.

Management believes that the critical accounting estimates discussed below involve the most complex judgements and assessments. Use of available information and application of judgement are inherent in the formation of estimates. Actual results in the future could differ from such estimates and the differences may be material to the financial statements.

Share based payments

The Company uses the liability method to account for its share based compensation plans which requires the Company's obligation under these plans to be recorded at its current estimated fair value. Share awards and share unit awards that contain market conditions are marked-to-market based on the latest share price information reflecting the terms of the award. Share unit awards that contain earnings performance conditions are marked-to-market based on the Company's actual earnings performance to date and the Company's internal earnings projections over the remaining vesting period of the award. In determining the final liability the Company also estimates the number of forfeitures over the life of the plan based on management's expectations for future periods which also considers past experience.

Income taxes**Deferred tax valuation**

Deferred tax assets (DTA) and liabilities (DTL) are recognised to reflect the estimated amounts of income tax recoverable/payable in future periods in respect of temporary differences and unused carry forward of tax losses. For temporary differences, a deferred tax asset is recognised to the extent that it is probable that taxable income will be available against which the deductible temporary difference can be utilised. Similarly, a deferred tax asset is recognised on unused carry forward tax losses to the extent that it is probable that future taxable profits will be available against which the unused carry forward tax losses can be utilised.

Periodically, management evaluates the probability that taxable profits will be available against which the deferred tax assets recognised for deductible temporary differences and unused carry forward tax losses can be realised. Within this evaluation process, management also considers tax planning strategies. The evaluation process requires significant management judgement, primarily with respect to projecting future taxable profits, primarily with respect to projected taxable income. Future taxable income can never be predicted with certainty but management also evaluate the factors contributing to the losses and consider whether or not there are temporary or indicate an expected permanent decline in earnings. The evaluation is derived from budgets and strategic business plans but is dependent on numerous factors some of which are beyond management's control such as the fiscal and regulatory environment and external economic growth conditions. Substantial variance of actual results from estimated future taxable profits or changes in our estimate of future taxable profits and potential restructurings could lead to changes in the amount of DTA that are realisable or considered realisable and would require a corresponding adjustment to the level of DTA.

Tax contingencies

Significant judgement is required in determining the effective tax rate and in evaluating certain tax positions. The Company may accrue for tax contingencies which may be adjusted due to changing facts and circumstances, such as case law, progress of audits or when an event occurs requiring a change to the tax contingency accruals. Management regularly assesses the appropriateness of provisions for income taxes. Management believes that it has appropriately accrued for any contingent tax liabilities.

4) Revenue

Revenue is arrived at as follows

	2011	2010
	£000	£000
Fees	21,386	21,715
Brokerage commission	1,329	2,097
Placing and unit trust commission	574	730
Margin on client money	1,021	870
Miscellaneous income	<u>28</u>	<u>74</u>
	<u>24,338</u>	<u>25,486</u>

5) Profit before taxation

Profit on ordinary activities before taxation is stated after charging the following

	2011	2010
	£000	£000
Depreciation of property, plant and equipment	139	202
Loss on disposal of property, plant and equipment	9	-
Amortisation of intangible assets	-	53
Auditors' and their associates		
Audit of financial statements	40	40
Exchange losses / (gains)	61	(61)
Payments for operating leases	768	398
Additional payments relating to the FSCS levy	-	870

6) Emoluments of Directors

Excluding pension contributions, the aggregate amount of emoluments and amounts receivable under long term incentive schemes of the highest paid Director were £438,500 (2010 £451,692) The Company also contributed £31,413 to their pension scheme during the year (2010 £30,625)

	2011	2010
	£000	£000
Directors' emoluments	6,478	6,412
Company contributions to pension schemes invested on a money purchase basis in respect of		
27 Statutory and Non-Statutory Directors (2010 27)	<u>673</u>	<u>600</u>
	<u>7,151</u>	<u>7,012</u>

7) Staff numbers and costs

The average number of persons employed by the Company (including Directors) during the period, analysed by category, were as follows

	2011	2010
Fund management	36	33
Administration	<u>71</u>	<u>69</u>
	<u>107</u>	<u>102</u>

The aggregate payroll costs of these persons were as follows

	2011	2010
	£000	£000
Wages and salaries	11,179	11,617
Social security costs	918	767
Other pension costs	1,039	972
Amounts receivable under long term incentive schemes	<u>(511)</u>	<u>1,534</u>
	<u>12,625</u>	<u>14,890</u>

Other pension costs relate to the Company's contributions due to the defined contribution pension schemes for the benefit of all employees

8) Other income

	2011	2010
	£000	£000
Interest income from short term deposits	<u>292</u>	<u>256</u>

9) Taxation

Current tax	2011 £000	2010 £000
Tax charge in respect of the year	1,593	1,813
Adjustments in respect of previous years	-	(4)
Total current tax	<u>1,593</u>	<u>1,809</u>
Deferred Tax		
Origination and reversal of timing differences	115	(493)
Effect of tax rate change	70	38
Total deferred tax	<u>185</u>	<u>(455)</u>
Income tax charge	<u>1,778</u>	<u>1,354</u>
	2011 £000	2010 £000
Profit on ordinary activities before taxation	6,288	4,535
Profit before tax multiplied by the UK statutory rate of corporation tax at the rate of 26.5% (2010: 28%)	1,666	1,270
Other Permanent differences	42	50
Adjustments to current tax in respect of previous periods	-	(4)
Effects of change in tax rate	<u>70</u>	<u>38</u>
Income tax charge	<u>1,778</u>	<u>1,354</u>

The UK corporation tax rate reduced from 28% to 26% with effect from 1 April 2011. Furthermore, the UK corporation tax rate will reduce from 26% to 25% effective from 1 April 2012. This will reduce the Company's future current tax charge accordingly.

The government announced on 21 March 2012 its intention to further reduce the corporation tax rate by 1% to 24% with effect from 1 April 2012. This rate reduction was substantively enacted on 26 March 2012.

Further information about deferred income tax is presented in Note 18.

10) Property, plant and equipment

	Leasehold Improvements	Fixtures, Fittings & Equipment	Total
	£000	£000	£000
Cost			
At 1 January 2011	377	384	761
Additions	-	160	160
Disposals	-	(23)	(23)
Write-offs	<u>(56)</u>	<u>(165)</u>	<u>(221)</u>
At 31 December 2011	<u>321</u>	<u>356</u>	<u>677</u>
Accumulated depreciation			
At 1 January 2011	(211)	(244)	(455)
Charge for the year	(45)	(94)	(139)
Disposals	-	14	14
Write-offs	<u>56</u>	<u>165</u>	<u>221</u>
At 31 December 2011	<u>(200)</u>	<u>(159)</u>	<u>(359)</u>
Net book value			
At 31 December 2010	<u>166</u>	<u>140</u>	<u>306</u>
At 31 December 2011	<u>121</u>	<u>197</u>	<u>318</u>

11) Cash and cash equivalents

	2011	2010
	£000	£000
Cash at bank and in hand	<u>30,493</u>	<u>29,498</u>

Cash at bank earns interest at floating rates based on daily bank deposit rates. The book value of cash and cash equivalents approximates their fair value. The Company's exposure to credit risk is represented by the carrying value of the assets.

12) Trade and other receivables

	2011	2010
	£000	£000
Trade receivables	45	362
Other receivables	654	823
Accrued income	<u>5,095</u>	<u>6,732</u>
	<u>5,794</u>	<u>7,917</u>

13) Other assets

	2011	2010
	£000	£000
Prepayments	<u>854</u>	<u>624</u>

14) Employee share-based compensation**Share-based compensation**

JOHIM's share-based compensation is an important part of the overall compensation package for select employees and senior executives. Share-based compensation is designed to promote employee retention and align the interests of employees and shareholders. Share-based compensation is granted as part of the annual incentive performance bonus subsequent to the fiscal year to which the incentive performance bonus relates. Share-based compensation is subject to restrictive features such as vesting, retirement and forfeiture rules.

Performance share award

As part of its annual incentive performance bonus process from 2007 to 2010, JOHIM granted Performance Share Award (PSA) units during 2008 to 2011 respectively. PSA units are retention incentive awards requiring continued employment with JOHIM, subject to restrictive covenants and cancellation provisions, and vest on the third anniversary of the grant date. Each PSA unit will settle for a specified number of CSG registered shares depending on the achievement of JOHIM cumulative three-year earnings performance as compared to predefined targets. The outcome of the performance conditions ranges between zero and two, and is used to determine the final number of PSA units that convert into shares.

Compensation expense is determined by taking the number of PSA units expected to vest multiplied by management's current expectation as to the outcome of the performance conditions and the closing price of a CSG share as of the latest reported balance sheet date. Management reassesses its estimate of the outcome of the performance conditions on a periodic basis and adjusts the cumulative compensation expense recorded in the financial statements accordingly. Based on the estimated outcome of the performance condition as of 31 December 2011, the compensation expense reflects a conversion of each PSA (2008), PSA (2009) and PSA (2010) initial unit into 0.79, 0.82 and 0.76 final units, respectively at the end of the vesting period. These estimates depend upon both the market environment and JOHIM's financial performance over the remainder of the vesting periods and, therefore, management cannot predict the final number of PSA units that will ultimately be expensed in the financial statements. The PSA (2007) granted in 2008 were settled in 2011 and did not have a value at settlement as JOHIM performance was below the minimum predefined target.

None of the PSA units were vested as of 31 December 2011. JOHIM intends to purchase CSG shares from CS Group to satisfy its PSA-related obligations.

The following table presents the PSA award activities for the periods indicated:

	PSA (2007) Number of awards in thousands	PSA (2008) Number of awards in thousands	PSA (2009) Number of awards in thousands	PSA (2010) Number of awards in thousands
Outstanding 31 Dec 2010	31	116	62	-
Granted	-	-	-	73
Delivered	(31)	-	-	-
Forfeited	-	-	-	-
Outstanding 31 Dec 2011	-	116	62	73

Compensation expense

Total compensation gain/expense for cash-settled share based plans recognised during 2011 and 2010 was a gain of 0.5m and an expense of £1.5m respectively. The average weighted fair value of awards granted in 2011 was CHF24.00 (2010: CHF44.94).

15) Trade and other payables

	2011	2010
	£000	£000
Staff cost liabilities	3,086	4,022
Other liabilities	<u>596</u>	<u>606</u>
	<u>3,682</u>	<u>4,628</u>

16) Financial liabilities

	2011	2010
	£000	£000
Trade payables	168	230
Other payables	-	397
Accruals	<u>408</u>	<u>1,220</u>
	<u>576</u>	<u>1,847</u>

17) Provision for restoration costs

Provision has been made for the cost of restoring the leased property to its original condition at the end of the lease period, currently expected to be approximately £300k. The lease expires on 24 September 2015 and the provision is based on the estimate of the current cost of the work required. This is assessed at each balance sheet date.

18) Deferred tax

Deferred taxes are calculated on temporary differences under the liability method using an effective tax rate of 25% (2010 27%)

	2011	2010
	£000	£000
The movement for the year on the deferred tax account is as follows		
At the beginning of the year	1,026	572
Benefit to income for the year	(115)	493
Effect of change in tax rate	(70)	(38)
Other adjustments	=	(1)
At end of year	<u>841</u>	<u>1,026</u>

Deferred tax assets are attributable to the following items

Decelerated tax depreciation	259	251
Stock based compensation	555	738
Other short term temporary differences	<u>27</u>	<u>37</u>
At end of year	<u>841</u>	<u>1,026</u>

On 23 March 2011, the Government announced that the corporation tax rate applicable from 1 April 2011 would be 26%. This change was substantively enacted on 29 March 2011. The enacted reduction in the UK corporation tax rate from 28% to 27% with effect from 1 April 2011 had been incorporated in the Company's deferred tax calculations as at 31 December 2010. In addition, the Finance Act 2011, which passed into law on 19 July 2011, included a further reduction in the UK corporation tax rate from 26% to 25% with effect from 1 April 2012. The change in the UK corporation tax rate from 27% to 25% has resulted in a reduction of the Company's net deferred tax asset as at 31 December 2011 of £70,666.

On 21 March 2012, the Government further announced that the corporation tax rate applicable from 1 April 2012 would be 24% and that there will be further proposed reductions in the UK corporation tax rate by 1% per annum to 22% by 1 April 2014. The rate reduction to 24% was substantively enacted on 26 March 2012. If the reduction in the UK corporation tax rate from 25% to 24% had been substantively enacted as at the balance sheet date of 31 December 2011, it would have had the effect of reducing the deferred tax asset by £33,710.

The proposed further reductions in the UK corporation tax rate by 1% per annum to 22% by 1 April 2014 are expected to be substantively enacted separately each year. The effect of these further changes upon the Company's deferred tax balance cannot be reliably quantified at this stage.

19) Issued share capital

	2011	2010
	£	£
Ordinary shares of £1 each	21,322	21,322
O1 ordinary shares of £1 each	222	222
O2 ordinary shares of £1 each	1,000	1,000
O3 ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<u>22,644</u>	<u>22,644</u>

20) Capital adequacy

The Company's lead regulator, the Financial Services Authority (FSA), sets and monitors capital requirements for the Company. In implementing current capital requirements the FSA requires the Company to have capital in excess of its capital requirements.

Capital is calculated in three 'Tiers'. Tier 1 is share capital, share premium, non-cumulative preference shares and audited reserves, adjusted to reflect differences in regulatory treatments for certain asset portfolios. Tier 2 is other preference shares and long term subordinated debt and Tier 3 is trading book profits and short term subordinated debt adjusted for illiquid assets and qualifying property. The capital requirements are calculated and split into expenditure, risk, foreign exchange and other asset requirements. The capital of the Company is detailed below.

	2011	2010
	£000	£000
Issued share capital	23	23
Share premium account	313	313
Profit and loss account	<u>25,054</u>	<u>22,544</u>
Core tier 1 capital	25,390	22,880
Deductions from tier 1	-	-
Core tier 1 capital after deductions	<u>25,390</u>	<u>22,880</u>
Deductions from total capital		
Illiquid assets	<u>(2,860)</u>	<u>(2,799)</u>
Total capital after deductions	<u>22,530</u>	<u>20,081</u>

The capital balances and capital requirements are monitored on an ongoing basis by the Company's finance department. Funding from CSG would be made available to meet capital requirements if the need arose, after being approved by CSG's Treasury Department.

The Company's policy is to maintain a strong capital base so as to provide returns to the shareholders and sustain future development of the business. The Board of Directors monitor the capital base and the return of capital to investors.

The Company must at all times monitor and demonstrate its compliance with the relevant regulatory capital requirements of the FSA. The Company has put in place processes and controls to monitor and manage the Company's capital adequacy and no breaches were reported to the FSA during the year.

In light of these factors and the risk analysis set out in this document, management believes that the Company's exposure to risk is adequately addressed by the calculations mandated in the Pillar 1 rules. There were no changes in the Company's approach to capital management during the year.

21) Operating leases

The following table sets forth the details of future minimum payments the Group is committed to under non-cancellable operating leases

	2011	2010
	£000	£000
Within 1 year	759	730
Between 2-5 years	<u>2,008</u>	<u>2,738</u>
	<u>2,767</u>	<u>3,468</u>

22) Fair value of financial instruments

The following table details the fair value of financial instruments for which it is practicable to estimate that value, whether or not this is reported in the Group's financial statements. All non-financial instruments such as deferred tax assets and property, plant and equipment are excluded.

For trade and other receivables, other assets and short term borrowings the fair value is assumed to approximate book value, given the short term nature of these financial instruments.

Financial assets**As at 31 December 2011**

	Book value	Fair value
	£000	£000
Trade and other receivables	5,794	5,794
Other assets	<u>854</u>	<u>854</u>
Financial assets	<u>6,648</u>	<u>6,648</u>

As at 31 December 2010

	Book value	Fair value
	£000	£000
Trade and other receivables	7,917	7,917
Other assets	<u>624</u>	<u>624</u>
Financial assets	<u>8,541</u>	<u>8,541</u>

Financial liabilities**As at 31 December 2011**

	Book value	Fair value
	£000	£000
Intercompany liability	4,538	4,538
Trade and other payables	3,682	3,682
Other liabilities	2,169	2,169
Long term staff liabilities	<u>2,221</u>	<u>2,221</u>
Financial liabilities	<u>12,610</u>	<u>12,610</u>

22) Fair value of financial instruments (continued)

Financial liabilities	Book value	Fair value
As at 31 December 2010	£000	£000
Long term debt	764	764
Trade and other payables	4,628	4,628
Other liabilities	3,656	3,656
Intercompany liability	4,411	4,411
Long term staff liabilities	<u>2,732</u>	<u>2,732</u>
Financial liabilities	<u>16,191</u>	<u>16,191</u>

23) Financial instruments risk position**Overview**

The Company is part of CSG and its risks are managed as part of the global Credit Suisse Group. CSG's risk management process is designed to ensure that there are sufficient controls to measure, monitor and control risks in accordance with CSG's control framework and in consideration of industry best practices. The primary responsibility for risk management lies with JOHIM's senior business line managers. They are held accountable for all risks associated with their businesses, including counterparty risk, market risk, liquidity risk, operational risk, legal risk and reputational risk.

Risk management principles

The prudent taking of risk is fundamental to the business of JOHIM. The primary objectives of risk management are to protect the financial strength and the reputation of JOHIM and CSG, while looking to ensure that capital is well deployed to maximise income and shareholder value. JOHIM's risk management framework is based on the following principles, which apply universally across all risk types:

- **Protection of financial strength** JOHIM manages risk in order to limit the impact of potentially adverse events on JOHIM's capital and income. JOHIM's risk appetite is to be consistent with its financial resources.
- **Protection of reputation** The value of JOHIM's franchise depends on its reputation. Protecting a strong reputation is both fundamental and an overriding concern for all staff members.
- **Risk transparency** Risk transparency is essential so that risks are well understood by senior management and members of the JOHIM Board of Directors and can be balanced against business goals.
- **Management accountability** JOHIM is organised into segments that own the comprehensive risks assumed through their operations. Management of each segment is responsible for the ongoing management of their respective risk exposures and earning a sufficient long term return for the risks taken.
- **Independent oversight** Risk management is a structured process to identify, measure, monitor and report risk. The risk management, controlling and legal and compliance functions operate independently of the front office to ensure the integrity of JOHIM's control processes. The risk management functions are responsible for implementing all relevant risk policies, developing tools to assist senior management to determine risk appetite and assessing the overall risk profile of JOHIM.

23) Financial instruments risk position (continued)**Risk management oversight**

Risk management oversight is performed at several levels in the organisation. Key responsibilities lie with the following management bodies and committees:

Risk management oversight at the JOHIM management level as at 1 January 2011

- The Risk Committee is responsible for reviewing and evaluating the firm's risks, these include credit, market, business, liquidity, systems and concentration risks. The committee meets once a month. The Finance department is responsible for the monitoring and reporting of capital adequacy.
- JOHIM Executive Management (Chief Executive Officer and Executive Committee). Responsible for implementing the strategy and actively managing its portfolio of businesses and its risk profile with the objective of balancing risk and return appropriately in the prevailing market conditions.

a. Market risk**Overview**

Market risk is the risk of loss arising from adverse changes in interest rates, foreign currency exchange rates, equity prices, commodity prices and other relevant market parameters, such as market volatilities.

The Company is exposed to market risk with regards to foreign currency and interest rates. It is also significantly exposed to investment markets including equities, bonds and commodities. These form the majority of the clients' investments, on which management fees are charged as a percentage of their value. Due to the varied nature of investments, it is not reasonable to assess the impact on profit of movements in equity markets. However, using the FTSE 100 as an indicator of equity markets, over the period 1 January 2011 to 31 December 2011 both Assets under Management and the FTSE 100 fell, in the ratio 1.45:1.00.

Foreign currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Company may enter into transactions denominated in currencies other than its functional currency. Consequently the Company is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Company's assets or liabilities denominated in currencies other than GBP. Management do not actively manage this risk.

As at 31 December 2011, the Company had foreign company exposure of USD 0.76 million in net assets. A change of 50 basis points in the USD exchange rate at the balance sheet date would have increased/(decreased) profit by £2,843/(£2,815) (2010: £2,334/(£2,319)).

As at 31 December 2011, the Company had foreign currency exposure of EUR 0.39 million in net assets. A change of 50 basis points in the EUR exchange rate at the balance sheet date would have increased/(decreased) profit by £1,646/(£1,630) (2010: £5,555/(£5,508)).

Interest rate risk

The Company is subject to interest rate risk based on the variable interest earned/charged on the bank balances. The exposure of this balance is £30.5 million (2010: £29.5 million). The Company does not actively manage this risk.

A change of 50 basis points in interest rates during 2010 would have increased/decreased profit by £152,463 (2010: £147,122).

b. Concentration risk

Since the Company does not take proprietary positions and has minimal levels of credit exposure, it is not exposed to potential sources of concentration risk such as sector, industry, country or group exposure.

23) Financial instruments risk position (continued)**c. Credit risk****Overview**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation

The Company does not undertake lending activity as part of its business. Its debtors typically consist of amounts which arise incidentally to its business such as management fee income receivable. The Company has a mandate to debit fees directly from the client portfolio in approximately 80% of cases. The Company's assets are not held as collateral nor are they encumbered. The Company regularly assess the liquidity of its assets in order to assess its ability to comply with capital adequacy requirements.

Maximum exposure to credit risk before collateral held or other credit enhancement

	2011	2010
	£000	£000

Trade and other receivables	<u>5,794</u>	<u>7,917</u>
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Distribution of loans and receivables by credit quality

	2011	2010
	£000	£000

Neither past due nor impaired	<u>5,794</u>	<u>7,917</u>
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Trade and other receivables neither past due nor impaired consist of trade receivables and accruals from funds which are managed by the Company. These funds do not themselves have credit ratings however historically and presently there are no past due amounts to the Company.

d. Liquidity risk**Overview**

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company's own cash balances are held in call accounts or short-term deposit accounts. Further to this, as part of CSG, the Company has access to centrally managed treasury funding. All client assets are clearly segregated from the Company's assets.

The Company's assets are not held as collateral nor are they encumbered. The Company regularly assess the liquidity of its assets in order to assess its ability to comply with capital adequacy requirements.

The following table sets out details on the remaining contractual maturity of all financial liabilities.

As at 31 December 2011

£000	On Demand	Less than one year	1-3 Years	3-5 years	>5 years	Total
Other liabilities	2,169	-	-	-	-	2,169
Trade and other payables	3,682	-	-	-	-	3,682
Intercompany liability	-	4,538	-	-	-	4,538
Long term staff liabilities	-	1,417	804	-	-	2,221
Total financial liabilities	5,851	5,955	804	-	-	12,610

23) Financial instruments risk position (continued)**As at 31 December 2010**

£000	On Demand	Less than one year	1-3 Years	3-5 years	>5 years	Total
Other liabilities	3,656	-	-	-	-	3,656
Trade and other payables	4,628	-	-	-	-	4,628
Intercompany liability	4,411	-	-	-	-	4,411
Long term debt	-	-	-	-	764	764
Long term staff liabilities	-	-	2,732	-	-	2,732
Total financial liabilities	12,695	-	2,732	-	764	16,191

24) Related party transactions

The Company is controlled by the Credit Suisse Group ("CSG"), its ultimate holding company, which is incorporated in Switzerland. The Company's parent company, which holds a majority of the voting rights in the undertaking, is JOHIM (Holdings) Limited, which is incorporated in the United Kingdom.

The Company enters into transactions with related parties in the ordinary course of business on market terms.

In relation to IAS 24 regarding compensation for key management personnel, all details of the remuneration payments are included in note 6 Emoluments of Directors. During the year the Company recognised -£0.5m (2010: £1.5m) in accordance with IFRS 2 in relation to the share-based compensation scheme for key management personnel, details of which can be seen in note 14.

Related party assets and liabilities

JOHIM has related party liabilities to group companies of £4,538k (2010: £5,175k).

25) Parent and ultimate holding company

The Company is a 74% owned subsidiary of JOHIM (Holdings) Limited and a 26% associate of J O Hambro Asset Management Limited both of which form part of the group wholly owned by JOHIM CS Limited, which prepares consolidated accounts. The ultimate holding company is CSG which is incorporated in Switzerland.

Copies of the group financial statements of the parent undertaking and of the ultimate holding company, which are those of the smallest (JOHIM CS Ltd) and largest (Credit Suisse Group) groups in which the results of the company are consolidated, are available to the public at Crown Way, Maindy, Cardiff and CSG, Paradeplatz, P O Box 1, 8070 Zurich, respectively.