BEST Securities Limited

Registered in England & Wales
Company Number: 2108176

Report and Financial Statements

For the year ended
30 September 2015

Directors
PSS Macpherson
AS Robson

Secretary
Capita Company Secretarial Services Limited
Beaufort House
51 New North Road
Exeter
Devon EX4 4EP

Auditor
Ernst & Young LLP
25 Churchill Place
Canary Wharf
London E14 5EY

Banker
JPMorgan Chase Bank NA
125 London Wall
London
EC2Y 5AJ

Solicitor
Herbert Smith Freehills LLP
Exchange Square
Primrose Street London
EC2A 2HS

Registered Office
Beaufort House
51 New North Road
Exeter
Devon
EX4 4EP

Directors' Report

The Directors present their report and financial statements for BEST Securities Limited (the 'Company') for the year ended 30 September 2015.

Principal activity and review of the year

The Company is a wholly owned subsidiary of British Empire Trust plc (the 'parent company'). The Company's principal activity is a dealer and underwriter in equity securities and debt instruments but there were no transactions of these completed during the year.

The Company on 6 November 2014 reduced their allotted and fully paid ordinary share capital from £250,000 to £1 by cancelling and extinguishing 249,999 ordinary shares in the share capital of the Company and returning the Capital to shareholders.

The Directors' report has been prepared in accordance with the special provisions relating to small companies under Sections 415(A)(l) & (2) of the Companies Act 2006.

Results

The loss for the year, after taxation, amounted to £Nil (2013: loss £72).

Dividends

No dividends were paid during the year with £1,762,269 paid during the prior year, representing 704.91p per share. The Directors do not recommend the payment of a final dividend.

Directors and their interests

The Directors who have served during the year were:

PSS Macpherson
AS Robson.

The Directors do not hold any shares in the Company nor did they during the year under review. Shareholdings in the Company's ultimate parent company are disclosed in the parent's Report and Accounts.

No Director has a contract of service with the Company, and there were no contracts or arrangements at any time during the year to 30 September 2015, or since, in which a Director of the Company was materially interested, whether directly or indirectly.

Statement of Directors' responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Directors are required to prepare financial statements for each financial year which 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 those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures
- disclosed and explained in the financial statements; and
- prepare financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

Directors' Report (continued)

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Going concern

In view of the Company's financial position the Company's ultimate parent company, has given an irrevocable undertaking to provide the Company with such financial support as it shall require, or as shall be necessary, for it to continue its business activities and enable it to prepare financial statements on a going concern basis.

The Company did not trade during the period and has not traded since the period end. As at the date of this Report, it is the current intention of the Directors that the Company remains dormant for the foreseeable future.

Management and custody agreements

The Company's activities are managed by Asset Value Investors Limited ('AVI') under an investment management agreement with the Company's parent company.

JP Morgan Chase Bank provided custodian services to the Company pursuant to a Custody Agreement with the parent company.

Capita Company Secretarial Services Limited was appointed as Company Secretary on 1 April 2014 for both the Company and the parent company. With the Board's consent, with effect from 1 April 2014 AVI has sub-contracted certain administration services to Capita Asset Services. The cost of these sub-contracted services is borne by AVI from its own resources and not by the Company. Prior to 1 April 2014, the Company Secretary and administrator was Phoenix Administration Services Limited for both the Company and the parent company.

Third party indemnities

Enhanced indemnities are provided to the Directors of the Company by the parent company against liabilities and associated costs which they could incur in the course of their duties to the Company. All of the indemnities remain in force as at the date of this Report and Accounts. A copy of each of the indemnities is kept at the registered office of the parent company.

Auditor

The Auditor, Ernst & Young LLP, in accordance with Sections 485 and 487 of the Companies Act 2006 is deemed to be reappointed.

Each of the Directors as at the date of approval of the report confirms that

- so far as the Director is aware, there is no relevant audit information of which the Company's Auditor is unaware, and
- the Directors have taken all the steps that they ought to take as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with Section 418 of the Companies Act 2006.

By order of the Board

FOR AND ON BEHALF OF
CAPITA COMPANY SECRETARIAL
SERVICES LIMITED
SECRETARY

Capita Company Secretarial Services Limited
Secretary
17 December 2015

Independent Auditor's Report

to the members of BEST Securities Limited

We have audited the financial statements of BEST Securities Limited for the year ended 30 September 2015 which comprise the Profit and Loss account, Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2015 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report,

Ernst & Young LLP

Ashley Coups (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor London
17 December 2015

Profit and Loss Account
for the year ended 30 September 2015

	Notes	2015 £	2014 £
Realised exchange losses		-	(72)
Loss on ordinary activities before taxation	3	-	(72)
Tax on loss on ordinary activities	4	-	-
Loss on ordinary activities after taxation	8	-	(72)
Retained revenue - brought forward		-	1,762,341
Dividends paid	8	-	(1,762,269)
Retained revenue - carried forward		-	-

All amounts derive from continuing operations.

During the year ended 30 September 2015 there was no trading activity and no recognised gains or losses attributable to the shareholders of the Company in the year ended 30 September 2015. During the prior year the company reported a loss on ordinary activities after taxation of £72 and did not incur any other recognised gains and losses. Accordingly a statement of total recognised gains and losses is not presented.

The notes on pages 8 to9 form an integral part of the financial statements.

Balance Sheet
at 30 September 2015

	Notes	2015 £	2014 £
Current assets			
Debtors	5	1	250,000
NET CURRENT ASSETS		1	250,000

Represented by :

SHARE CAPITAL AND RESERVES			
Called up share capital	7	1	250,000
Profit and loss account	8	-	-
Shareholder's funds - equity		1	250,000

These financial statements were approved and authorised for issue by the Board of Directors on 17 December 2015

PSS Macpherson
Director

Company Number: 2108176

The notes on pages 8 to 9 form an integral part of the financial statements.

Notes to the Financial Statements

at 30 September 2015

1. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) and the Companies Act 2006. A summary of the accounting policies which have been applied consistently is set out below.

Income and expenses

Income and expenses are recognised on an accruals basis.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

2. Directors' remuneration

None of the Directors of the Company received any emoluments from the Company during the year (2014: £nil). The Company did not have any employees during the year.

3. Operating loss

This is stated after charging:

	2015	2014
	£	£
Auditor' remuneration	-	-
	-	-

Auditor's remuneration £2,000 (2014: £2,300) was borne by the parent company in 2015.

4. Tax on loss on ordinary activities

Factors affecting current charge for year

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20.5% (2013: 22%). The differences are reconciled below:

	2015	2014
	£	£
Loss on ordinary activities multiplied by the standard rate	-	(72)
Loss on ordinary activities multiplied by the standard rate Of corporation tax in the UK of 20.5% (2014: 22%)	-	(16)
Effects of:		
Excess expenses of current year		(16)
Current tax charge	-	-

There is no material unprovided deferred tax.

Notes to the financial statements (continued)
at 30 September 2015

5. Debtors

	2015	2014
	£	£
Amounts due from parent company	1	250,000

7. Called up Share Capital

	2015	2014
	£	£
Allotted and fully paid		
Ordinary shares of £1 each	1	250,000

The Company on 6 November 2014 reduced the allotted and fully paid ordinary share capital from £250,000 to £1 by cancelling and extinguishing 249,999 ordinary shares in the share capital of the Company.

8. Reserves

	Share capital	Profit and loss account	Total Shareholder's Funds
	£	£	£
At 1 October 2014	250,000	-	250,000
Return of capital to the parent	(249,999)	-	(249,999)
At 30 September 2015	1	-	1

9. Parent undertaking and controlling party

The Company's parent undertaking and ultimate controlling party is British Empire Trust plc, a company registered in England and Wales. Copies of the group financial statements of the parent undertaking can be obtained from the registered office at: Beaufort House, 51 New North Road, Exeter Devon EX4 4EP.

10. Related party transactions

The Company has taken advantage of the exemption in Financial Reporting Standard 8 'Related Party Disclosures' from disclosure of transactions with companies that are part of the British Empire Securities and General Trust plc group.

11. Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised) 'Cash Flow Statements' as the Company is included in the parent undertaking's consolidated financial statements which are publicly available.