

Registered number: 03514660

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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PHOENIX ASSET MANAGEMENT PARTNERS LIMITED
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COMPANY INFORMATION

Directors	Mr G Channon Mr S Tatters Mrs C Maby Mr R T Canham Mr T Chapple
Company secretary	Mrs S Wooler
Registered number	03514660
Registered office	64-66 Glenthams Road Barnes London SW13 9JJ
Independent auditor	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Solicitors	Taylor Wessing LLP 5 New Street Square London EC4A 3TW

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

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PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Introduction

Phoenix is an investment management firm using a long-term, value-investing approach to manage concentrated portfolios based upon our own proprietary research.

Business review

Assets under management at 31st March 2017 were £697m (2016: £562m). The rise in assets under management of £135m was due to a combination of net gains from positive investment performance and a net increase in subscriptions.

Phoenix UK Fund, an off-shore fund domiciled in the Bahamas, represented 29% (2016: 33%) of the assets under management at 31st March 2017, with pension funds, an endowment and a multi-manager pension scheme making up the rest. Performance of the Phoenix UK Fund can be found on the website and all accounts run a similar portfolio.

In addition to £5.3m (2016: £4.8m) annual management fee earned on the assets under management, £3.7m was earned in performance fees (2016: £8.5m).

The company is authorised and regulated by the Financial Conduct Authority, and conducts its business in accordance with those regulations.

Principle risks and uncertainties

The principal risks and uncertainties of PAMP are dependent on the chief investment officer, Gary Channon, continuing to manage the Fund and accounts. The performance of the Fund and accounts can be negative which reduces management fees and potentially eliminates any performance fees. Investors can redeem on fairly short notice, monthly and quarterly, which would result in reduced fee income.

Financial key performance indicators

The directors consider the level of assets under management and underlying fund performance to be the Company's primary key performance indicator.

This report was approved by the board on 7 July 2017

and signed on its behalf.

Mr G Channon
Director



PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

The directors present their report and the financial statements for the year ended 31 March 2017.

Results and dividends

The profit for the year, after taxation, amounted to £4,661,182 (2016 - £8,009,122).

The dividends for the period were £4,646,082 (2016: £7,236,928)

Directors

The directors who served during the year were:

Mr G Channon
Mr S Tatters
Mrs C Maby
Mr R T Canham
Mr T Chapple

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, Moore Stephens LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on

7 July 2017

and signed on its behalf.

Mr G Channon
Director



PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping 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 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.

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

We have audited the financial statements of Phoenix Asset Management Partners Limited for the year ended 31 March 2017, set out on pages 6 to 22. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 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 Financial Reporting Council'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 Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2017 and of its profit 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.

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PHOENIX ASSET MANAGEMENT
PARTNERS LIMITED (CONTINUED)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.



Simon Fowles (Senior Statutory Auditor)

for and on behalf of

Moore Stephens LLP, Statutory Auditor

150 Aldersgate Street

London

EC1A 4AB

Date:

12 July 2017

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	2017 £	2016 (restated) £
Turnover	4	8,958,090	13,299,573
Gross profit		8,958,090	13,299,573
Administrative expenses		(3,109,934)	(3,626,241)
Operating profit	5	5,848,156	9,673,332
Income from fixed assets investments		-	371,000
Unrealised gain on investments		504	12,037
Profit before tax		5,848,660	10,056,369
Tax on profit	8	(1,187,478)	(2,047,247)
Profit for the year		4,661,182	8,009,122
Total comprehensive income for the year		4,661,182	8,009,122

The notes on pages 9 to 22 form part of these financial statements.

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED
REGISTERED NUMBER: 03514660

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 £	2016 (restated) £
Fixed assets			
Intangible assets	10	450,000	500,000
Tangible assets	11	126,381	156,898
Investments	12	64,271	64,271
		<u>640,652</u>	<u>721,169</u>
Current assets			
Debtors: amounts falling due within one year	13	2,123,134	2,836,898
Current asset investments	14	212,541	212,037
Cash at bank and in hand	15	2,122,207	2,113,711
		<u>4,457,882</u>	<u>5,162,646</u>
Creditors: amounts falling due within one year	16	(2,742,922)	(3,824,327)
Net current assets		<u>1,714,960</u>	<u>1,338,319</u>
Total assets less current liabilities		<u>2,355,612</u>	<u>2,059,488</u>
Creditors: amounts falling due after more than one year	17	(65,022)	(83,998)
Net assets		<u><u>2,290,590</u></u>	<u><u>1,975,490</u></u>
Capital and reserves			
Called up share capital	20	106,002	103,002
Share premium account		594,000	297,000
Profit and loss account		1,590,588	1,575,488
		<u><u>2,290,590</u></u>	<u><u>1,975,490</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

7 July 2017

Mr G Channon
Director

The notes on pages 9 to 22 form part of these financial statements.

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2016	103,002	297,000	1,575,488	1,975,490
Comprehensive income for the year				
Profit for the year	-	-	4,661,182	4,661,182
Total comprehensive income for the year	-	-	4,661,182	4,661,182
Dividends: Equity capital	-	-	(4,646,082)	(4,646,082)
Shares issued during the year	3,000	297,000	-	300,000
At 31 March 2017	106,002	594,000	1,590,588	2,290,590

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2015	103,002	297,000	803,294	1,203,296
Comprehensive income for the year				
Profit for the year (restated)	-	-	8,009,122	8,009,122
Total comprehensive income for the year (restated)	-	-	8,009,122	8,009,122
Dividends: Equity capital	-	-	(7,236,928)	(7,236,928)
Total transactions with owners (restated)	-	-	(7,236,928)	(7,236,928)
At 31 March 2016 (restated)	103,002	297,000	1,575,488	1,975,490

The notes on pages 9 to 22 form part of these financial statements.

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the company's transactions are denominated. They comprise the financial statements of the company for the period ended 31 March 2017 and are presented to the nearest pound.

The continuing activities of Phoenix Asset Management Partners Limited is that of provision of fund management services.

The company is a United Kingdom private company limited by shares and is incorporated in England. The address of its registered office and principle place of business is 64-66 Glentham Road, Barnes, London, SW13 9JJ.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Turnover from management fees is earned and recognised on an accruals basis by spreading the income over the year to which it relates. Performance fees are recognised on the date that they crystallise.

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life of 10 years.

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Summary of significant accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is provided on the following basis:

S/Term Leasehold Property	- Over life of the lease
Plant and machinery	- 33% per annum
Motor vehicles	- 25% per annum
Fixtures and fittings	- 33% per annum
Cycle scheme	- 50% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within administrative expenses in the Statement of Comprehensive Income.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.6 Valuation of investments

Current asset investments represent a portfolio of securities held for resale and cash, and are stated at fair value with any revaluation taken to profit or loss.

Fixed asset investments represent investments in subsidiaries and are stated at the lower of cost and net realisable value, with any provision for impairment below cost or reversal of provision for impairment taken to the statement of comprehensive income.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Summary of significant accounting policies (continued)

2.9 Financial instruments

Financial instruments are recognised on the balance sheet when the Company becomes party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price. The fair value of current asset investments is determined with reference to publically available market prices. The movement in fair value at each year end is recognised in the statement of comprehensive income.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Income Statement within administrative expenses.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Summary of significant accounting policies (continued)

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.15 Consolidation

The Company is a subsidiary of Channon Holdings Limited ("Channon") and is included in the consolidated financial statements of Channon. The Company is therefore exempt from preparing its own consolidated financial statements and these financial statements therefore present information about the Company only and not its Group.

2.16 Disclosure exemptions

The Company has taken advantage of the exemption from preparing a Statement of Cash Flows on the basis that this information has been included in the consolidated financial statements of Channon at 31 March 2017.

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Summary of significant accounting policies (continued)

2.17 Prior period adjustment

During the year ended 31 March 2016, the Company acquired 100% of the share capital of MARS Asset Management Limited ("MARS"), a FCA regulated asset manager. The Company paid £937,327 to the sellers. The fair value of assets at the date of acquisition were £437,327. Subsequent to the acquisition, the trade and assets were transferred to the Company leaving sufficient regulatory capital in MARS. The Company's investment in MARS was then impaired to the value of net assets remaining in MARS (£64,271). However, the company paid £500,000 to the seller in addition to the fair value of the assets acquired and so should be treated as goodwill. The restatement reflects this treatment.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Due to the simplicity of the company's transaction streams and year end financial position, the directors consider, other than that covered in note 2.3, there to be no critical judgements, estimates or assumptions in the preparation of these financial statements.

4. Turnover

Turnover is split between that received from within the UK £4,958,042 (2016: £4,868,003) and that received from outside the UK £4,000,048 (2016: £8,431,570).

5. Operating profit

The operating profit is stated after charging:

	2017 £	2016 (restated) £
Depreciation of tangible fixed assets - owned	33,796	28,030
Depreciation of tangible fixed assets - hire purchase	28,180	7,045
Amortisation of intangible assets, including goodwill	50,000	-
Impairment of fixed asset investments	-	373,058
Fees payable to the Company's auditor for the audit of the company's annual accounts	12,827	11,614
Taxation services	4,350	4,660
Exchange differences	-	3,698
Defined contribution pension cost	37,232	34,049

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	1,818,293	1,908,043
Social security costs	217,339	311,181
Cost of defined contribution scheme	37,232	32,049
	<u>2,072,864</u>	<u>2,251,273</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Administrative/compliance	5	5
Fund management	7	5
	<u>12</u>	<u>10</u>

7. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	1,097,674	940,399
Company contributions to defined contribution pension schemes	28,152	27,840
	<u>1,125,826</u>	<u>968,239</u>

During the year retirement benefits were accruing to 4 directors (2016 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £343,831 (2016 - £330,700).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,056 (2016 - £9,840).

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

8. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	1,187,478	2,047,247
Total current tax	<u>1,187,478</u>	<u>2,047,247</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - *higher than*) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £	2016 (restated) £
Profit on ordinary activities before tax	5,848,660	10,056,369
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	1,169,732	2,011,274
Effects of:		
Non-tax deductible impairment	-	74,811
Expenses not deductible for tax purposes	24,395	42,772
Timing differences in respect of depreciation and capital allowances	5,261	(2,323)
Qualifying expenses	(11,910)	(4,807)
Non-taxable income	-	(74,200)
Other differences leading to a decrease in the tax charge	-	(280)
Total tax charge for the year	<u>1,187,478</u>	<u>2,047,247</u>

9. Dividends

	2017 £	2016 £
Dividends declared on equity capital	4,646,082	7,236,928

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

10. Intangible assets

	Goodwill £
Cost	
At 1 April 2016	500,000
At 31 March 2017	<u>500,000</u>
Amortisation	
Charge for the year	50,000
At 31 March 2017	<u>50,000</u>
Net book value	
At 31 March 2017	<u><u>450,000</u></u>
At 31 March 2016	<u><u>500,000</u></u>

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. Tangible fixed assets

	S/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Cycle Scheme £	Total £
Cost or valuation						
At 1 April 2016	8,352	143,173	112,718	65,520	3,479	333,242
Additions	8,019	21,351	-	1,256	833	31,459
At 31 March 2017	16,371	164,524	112,718	66,776	4,312	364,701
Depreciation						
At 1 April 2016	-	115,367	7,045	51,199	2,733	176,344
Charge for the year	5,632	18,814	28,180	8,455	895	61,976
At 31 March 2017	5,632	134,181	35,225	59,654	3,628	238,320
Net book value						
At 31 March 2017	10,739	30,343	77,493	7,122	684	126,381
At 31 March 2016	8,352	27,806	105,673	14,321	746	156,898

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

11. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Motor vehicles	77,493	105,673
	<u>77,493</u>	<u>105,673</u>

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2016 (as previously stated)	937,327
Prior Year Adjustment	(500,000)
	<u>437,327</u>
At 1 April 2016 (as restated)	437,327
At 31 March 2017	<u>437,327</u>
Impairment	
At 1 April 2016 (as previously stated)	873,056
Prior Year Adjustment	(500,000)
	<u>373,056</u>
At 1 April 2016 (as restated)	373,056
At 31 March 2017	<u>373,056</u>
Net book value	
At 31 March 2017	<u>64,271</u>
At 31 March 2016 (as restated)	<u>64,271</u>

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

12. Fixed asset investments (continued)

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Class of shares	Holding	Principal activity
MARS Asset Management Limited ("MARS")	Ordinary	100 %	Asset management company regulated by the FCA

MARS's accounting reference date is 30 April. The interim financial statements of MARS to 31 March 2017 show a loss of £1,790 and shows capital and reserves of £58,946.

13. Debtors

	2017 £	2016 £
Trade debtors	1,645,940	1,179,018
Other debtors	433,777	1,620,114
Prepayments and accrued income	43,417	37,766
	<u>2,123,134</u>	<u>2,836,898</u>

14. Current asset investments

	2017 £	2016 £
Listed investments	<u>212,541</u>	<u>212,037</u>

15. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>2,122,207</u>	<u>2,113,711</u>

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

16. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	34,303	58,168
Corporation tax	665,478	1,046,747
Taxation and social security	50,213	315,484
Obligations under finance lease and hire purchase contracts	18,976	18,976
Dividends payable	901,018	947,619
Accruals	1,072,934	1,437,333
	<u>2,742,922</u>	<u>3,824,327</u>

17. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	65,022	83,998
	<u>65,022</u>	<u>83,998</u>

18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	18,976	18,976
Between 1-2 years	18,976	18,976
Between 2-5 years	46,046	65,022
	<u>83,998</u>	<u>102,974</u>

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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19. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	212,541	212,037
Financial assets measured at amortised cost	4,201,924	4,912,843
	<u>4,414,465</u>	<u>5,124,880</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(2,008,255)	(2,443,120)
	<u>(2,008,255)</u>	<u>(2,443,120)</u>

Financial assets are measured at amortised cost comprise cash and debtors excluding prepayments.

Financial liabilities measured at amortised cost comprise trade creditors, accruals and dividends payable.

20. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
106,002 (2016 - 103,002) Ordinary shares of £1 each	<u>106,002</u>	<u>103,002</u>

During the year the Company issued 3,000 Ordinary shares of £1 each for the consideration of £300,000. These were fully paid up as at the year end.

21. Commitments under operating leases

At 31 March 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	36,000	36,000
Later than 1 year and not later than 5 years	-	36,000
Total	<u>36,000</u>	<u>72,000</u>

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

22. Related party transactions

Mr G Channon is a director and majority shareholder in Channon & Co Limited. During the year, Channon & Co Ltd recharged office administration expenses amounting to £154,367 (2016: 153,489). There were no amounts due at the year end.

Mr G Channon is also a director of Wedding List Solutions Limited ("WLS"). At the year end the company was owed £3,789 (2016: £2,433) from WLS. This was fully repaid after the year end.

Mr S Tatters is the director of Phoenix UK Fund ('the fund'). Management and performance fees earned during the year were £1,834,093 (2016: £2,179,492) and £2,169,085 (2016: £6,252,077) respectively. The amount due from the fund at the year end was £1,026,306 (2016: £1,772,193).

Mr R Canham, a director of the company, is also a director of Easternrose Limited. During the year the Company was charged £48,000 (2016: £48,000) by Easternrose Limited for pension contributions due to Mr R Canham.

23. Controlling party

In the directors' opinion the parent company at the year end is Channon Holdings Limited, a company incorporated in the UK and which owns 90,001 £1 Ordinary shares. A copy of the group financial statements may be obtained from Channon Holdings Limited at Midland Buildings, 19a Briggate, Shipley West Yorkshire, BD17 7BP.

The ultimate controlling party of Channon Holdings Limited is Gary Channon.

24. Pillar 3 and remuneration code disclosures

The company's Pillar 3 and Remuneration Code disclosures can be found on the company's website: www.phoenixassetmanagement.com