

Company Registration No. 04056163

# **CG** Asset Management Limited

Report and Financial Statements

For the year ended 30 April 2017



# **CG Asset Management Limited**

## **Report and financial statements 2017**

<b>Contents</b>	<b>Page</b>
Strategic report	2
Directors' report	3
Directors' responsibilities statement	4
Independent auditor's report	5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Cash flow statement	9
Notes to the accounts	10

## CG Asset Management Limited

### Strategic report

#### Principal activities

The principal activity of CG Asset Management Limited (the "Company") is the management of six funds. Four funds seek to produce absolute returns through long-term investment in bonds, equities and commodities. Two funds are invested entirely in overseas government index-linked bonds. The Company is authorised and regulated by the Financial Conduct Authority.

#### Business review and future prospects

FY 2017 was a very successful year for the Company, in terms of investment performance, fund inflows, new product development and operational developments. All funds delivered double digit organic returns, which combined with net fund inflows of c.£290m, pushed assets under management to the highest level in the Company's history. After a successful seeding period the new Absolute Return Fund has been launched to external clients. This new fund has the potential to underpin Company growth over the medium term. First stage implementation of new IT systems was completed during the year. Future operational focus will be on systems configuration to ensure the Company meets and exceeds the ever evolving regulatory requirements placed on it.

#### Results and dividends and key performance indicators

The profit for the year on ordinary activities, after taxation, was £5,023,587 (2016: £4,540,021).

The directors paid a final dividend of £3,017,668 (£2016: Nil).

#### Principal business risk and financial risk

The directors take the view that the balance sheet is strong enough to withstand any market shocks which may reasonably be expected. It is board policy to maintain capital well in excess of the level required under regulatory capital rules. 74% (2016: 74%) of the value of investments are marketable securities, predominately British Government Treasury Bonds and other government securities in funds managed by the Company. 26% (2016: 26%) of the investments by value (stated in the fixed assets) are unquoted securities.

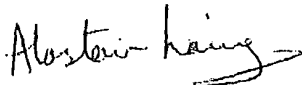
The most significant risk to which the Company may be subjected is assessed as reputational risk, for instance, the possibility of customers leaving, either by realisations of units or loss of one or more of the Company's three management contracts. Loss of key staff might be a factor leading to such events. The Company's ability to adjust overheads to meet these eventualities provides reasonable mitigation of this risk.

The Basel Accord has been implemented in the European Union via the Capital Requirements directive and the Company falls under the three 'pillars' framework. The pillar 3 disclosures are published on the Company's website ([www.cgasset.com](http://www.cgasset.com)).

Approved by the Board of Directors and signed on behalf of the Board

A R Laing  
Director

21st August 2017



## CG Asset Management Limited

### Directors' report

The directors present their annual report and the audited financial statements of CG Asset Management Limited ('the Company') for the year ended 30 April 2017.

#### Going concern

After making enquires, the directors have formed the judgement at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the financial statements. The balance sheet shows a cash balance of £3,580,613 (2016: £2,686,025). The Company has no borrowings and from a review of budget and forecasts the directors continue to believe that the going concern basis is appropriate.

#### Directors

The directors, who served throughout the year, except as noted, were as follows:

M Cannon Brookes (non-executive)  
J M S Ekins (non-executive resigned 12 October 2016)  
A R Laing  
C Smith (non-executive)  
R P A Spiller  
R J Goody  
C G Clothier  
F I M Turquet (non-executive appointed 12 October 2016)

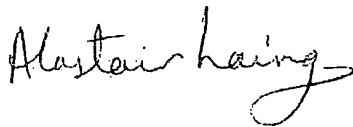
#### Auditor

Each of the directors at the date of approval of this 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 director has taken all the steps that he ought to have taken as a director to make himself 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 the provisions of s418 of the Companies Act 2006. Pursuant to s386 Companies Act 1985 an elective resolution was passed dispensing with the requirement to appoint an auditor annually. Therefore Deloitte LLP is deemed to continue as auditor.

Approved by the Board of Directors and signed on behalf of the Board



A R Laing  
Director

21st AUGUST 2017

## **CG Asset Management Limited**

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent auditor's report to the members of CG Asset Management Limited**

We have audited the financial statements of CG Asset Management Limited for the year ended 30 April 2017 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and the related notes 1 to 17. 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), including FRS102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

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 Statement of Directors' Responsibilities, 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 annual 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 30 April 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.

### **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 the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

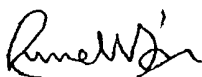
## **Independent auditor's report to the members of CG Asset Management Limited**

### **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.

Russell Davis, FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom



21 August 2017

## CG Asset Management Limited

### Statement of comprehensive income For the year ended 30 April 2017

	Notes	2017 £	2016 £
<b>Turnover</b>		9,095,984	8,233,763
Staff costs	3	(2,501,127)	(2,218,791)
Other operating charges		(881,739)	(469,797)
<b>Operating profit</b>	5	5,713,118	5,545,175
Bank interest receivable		43	529
Other interest receivable		20,132	16,886
Other investment income		95,922	119,482
Gain/(loss) on revaluation of fixed asset investments		503,190	(62,891)
<b>Profit on ordinary activities before taxation</b>		6,332,405	5,619,181
Tax on profit on ordinary activities	6	(1,308,818)	(1,079,160)
<b>Profit on ordinary activities after taxation</b>		5,023,587	4,540,021
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive income for the year</b>		<u>5,023,587</u>	<u>4,540,021</u>

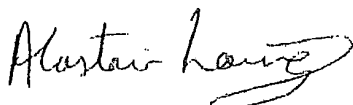
All activities are continuing. The notes on pages 10 to 18 form an integral part of these financial statements.

**CG Asset Management Limited**  
**Company registration number 04056163**

**Balance sheet**  
**30 April 2017**

	Notes	2017 £	2016 £
<b>Fixed assets</b>			
Investments	7	4,642,226	3,090,670
Tangible assets	8	2,267	2,822
		<u>4,644,493</u>	<u>3,093,492</u>
<b>Current assets</b>			
Prepayments and accrued income		775,661	770,126
Cash at bank and in hand		3,580,613	2,686,025
		<u>4,356,274</u>	<u>3,456,151</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(1,613,871)</u>	<u>(1,205,076)</u>
<b>Net current assets</b>		<u>2,742,403</u>	<u>2,251,075</u>
<b>Provisions for liabilities</b>			
Deferred tax	6	<u>(152,043)</u>	<u>(115,633)</u>
<b>Net assets</b>		<u>7,234,853</u>	<u>5,228,934</u>
<b>Capital and reserves</b>			
Called up share capital	10	81,832	81,832
Share premium account	11	481,167	481,167
Capital redemption reserve	11	53,289	53,289
Profit and loss account	11	<u>6,618,565</u>	<u>4,612,646</u>
<b>Total equity shareholders' funds</b>		<u>7,234,853</u>	<u>5,228,934</u>

These financial statements were approved and authorised for issue by the Board of Directors on 21st August 2017  
Signed on behalf of the Board of Directors



A R Laing  
Director

21st August 2017

## CG Asset Management Limited

### Statement of changes in Equity 30 April 2017

	Called-up share capital £	Share premium account £	Capital Redemption reserve £	Profit and loss account £	Total £
At 1 May 2015	90,766	481,167	44,355	6,203,328	6,819,616
Retained profit for the year	-	-	-	4,540,021	4,540,021
Purchase of own shares	(8,934)		8,934	(6,130,703)	(6,130,703)
At 30 April 2016	81,832	481,167	53,289	4,612,646	5,228,934
Profit for the financial year	-	-	-	5,023,587	5,023,587
Dividends	-	-	-	(3,017,668)	(3,017,668)
At 30 April 2017	81,832	481,167	53,289	6,618,565	7,234,853

## **CG Asset Management Limited**

### **Cash Flow Statement For the year ended 30 April 2017**

	Notes	2017 £	2016 £
Net cash flows from operating activities	12	4,845,413	4,351,123
Net cash flows from investing activities	13	(933,157)	2,702,374
Net cash flows from financing activities	13	<u>(3,017,668)</u>	<u>(6,130,703)</u>
Increase in cash in the year	15	<u>894,588</u>	<u>922,794</u>

# **CG Asset Management Limited**

## **Notes to the accounts**

### **For the year ended 30 April 2017**

#### **1. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

##### **General information and basis of preparation**

CG Asset Management Limited is a company incorporated in England and Wales. The address of the registered office is 25 Moorgate, London, EC2R 6AY. The nature of the company's operations and its principal activities are set out in the Strategic Report on page 2.

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 judgment in applying the company's accounting policies (see note 2).

##### **Turnover and other income**

Turnover, which arises in the United Kingdom, comprises fee income from investment management and advisory services and is stated on an accruals basis after deduction of value added tax. Other income primarily comprises dividend income, accounted for when receivable.

##### **Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

##### **Taxation**

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

## **CG Asset Management Limited**

### **Notes to the accounts**

#### **For the year ended 30 April 2017**

##### **Pension contributions**

The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions to defined contribution personal pension plans payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Leasehold improvements- 20% straight line

Furniture & Fixtures- 25% straight line

Office equipment – 33.33% straight line

##### **Going concern**

After making enquires, the directors have formed the judgement at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the financial statements. The balance sheet shows a cash balance of £3,580,613 (2016: £2,686,025). The Company has no borrowings and from a review of budget and forecasts the directors continue to believe that the going concern basis is appropriate.

#### **2. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at the year end date and the reported amounts of revenues and expenses during the reporting period.

The key judgements applied in the preparation of the financial statements are in relation to the fair value of investments.

# CG Asset Management Limited

## Notes to the accounts For the year ended 30 April 2017

### 3. Information regarding directors and employees

	2017 £	2016 £
<b>Directors' remuneration</b>		
Emoluments	2,103,808	1,732,193
	<u>2,103,808</u>	<u>1,732,193</u>
	2017 £	2016 £
<b>Highest paid director's remuneration:</b>		
Aggregate of emoluments	<u>1,062,653</u>	<u>963,536</u>
		No.
<b>Average number of persons (including executive directors)</b>		
<b>employed by the Company in the year</b>		
Investment department	<u>7</u>	<u>7</u>
	2017 £	2016 £
<b>Staff costs incurred during the year (including executive directors) in respect of these employees were:</b>		
Wages and salaries	2,191,622	1,926,361
Social security costs	289,377	253,930
Pension costs	20,128	38,500
	<u>2,501,127</u>	<u>2,218,791</u>

Included in the above is £15,000 (2016: £15,000) in respect of consultancy fees to J M S Ekins, a non-executive director. The directors consider the company's key management personnel are the directors and so have not made a separate disclosure of key management personnel remuneration.

### 4. Dividends

	2017 £	2016 £
<b>Amounts recognised as distributions to equity holders:</b>		
Dividend for the year ended 30 April 2017	3,017,668	-
Final dividend paid for the year ended 30 April 2017	<u>3,017,668</u>	<u>-</u>

The final dividend of £3,017,668 was paid out to the shareholders on 01 November 2016.

## CG Asset Management Limited

### Notes to the accounts For the year ended 30 April 2017

#### 5. Operating profit

	2017 £	2016 £
Operating profit is arrived at after charging:		
Depreciation of tangible fixed assets	1,443	3,101
Fees payable to the Company's auditor for the audit of the Company annual accounts	13,000	12,600
Fees payable to the company's auditor for other services to the Company (see below)	4,800	10,800
Total fees	<u>17,800</u>	<u>23,400</u>
Non audit fees		
Tax services	4,800	4,800
Interim profit verification	-	6,000
	<u>4,800</u>	<u>10,800</u>

#### 6. Tax on profit on ordinary activities

	2017 £	2016 £
Current Tax		
United Kingdom corporation tax	1,253,424	1,115,657
Adjustment in respect of prior period	18,984	-
Total current tax charge	<u>1,272,408</u>	<u>1,115,657</u>
Deferred Tax		
Origination and reversal of timing differences	42,834	(21,334)
Effect of reduction in the tax rate on opening liability	(6,424)	(15,163)
Total deferred tax (credit) / charge	<u>36,410</u>	<u>(36,497)</u>
Total tax charge	<u>1,308,818</u>	<u>1,079,160</u>

## CG Asset Management Limited

### Notes to the accounts For the year ended 30 April 2017

#### 6. Tax on profit on ordinary activities (continued)

The tax assessed for the year is higher than that from applying the standard rate of corporation tax in the UK of 20% (2016: 20 %).

The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before taxation	6,332,405	5,619,181
Tax on profit on ordinary activities at 20% (2015: 20.92%) thereon	1,266,481	1,123,836
Factors affecting charge for the year:		
Expenses not deductible for tax purposes	816	7,890
Depreciation in excess of capital allowances	178	620
Non-taxable income	(13,249)	(13,538)
Effect of disposal of investments/chargeable gains	42,032	(24,485)
Effect of changes in the tax rate	(6,424)	(15,163)
Adjustment in respect of prior period	18,984	-
	<u>1,308,818</u>	<u>1,079,160</u>

#### Deferred Taxation

	2017 £	2016 £
Liability at 01 May 2016	115,633	152,130
Charged/ (credited) to profit and loss account	36,410	(36,497)
Liability at 30 April 2017	<u>152,043</u>	<u>115,633</u>

Deferred tax is provided as follows:

	2017 £	2016 £
Accelerated capital allowances	385	496
Timing differences relating to the revaluation of investments	151,658	115,137
Provision for deferred tax	<u>152,043</u>	<u>115,633</u>

# CG Asset Management Limited

## Notes to the accounts For the year ended 30 April 2017

### 7. Investments held as fixed assets

	Listed investments £	Shares in unlisted investments £	Total £
<b>Fair value</b>			
At 1 May 2015	4,812,863	909,618	5,722,481
Additions	-	-	-
Disposals	(2,447,796)	(121,124)	(2,568,920)
Change in fair value	(78,582)	15,691	(62,891)
At 30 April 2016	2,286,485	804,185	3,090,670
Additions	2,000,000	-	2,000,000
Disposals	(951,634)	-	(951,634)
Change in fair value	408,581	94,609	503,190
At 30 April 2017	3,743,432	898,794	4,642,226

As 30 April 2017 the Company held an investment of 147,828 (2016: 147,828) 'A' shares in Smith & Williamson Holdings Limited at £898,794 (2016: £804,184). The directors have estimated the fair value of these shares based on recent transactions of which they are aware.

### 8. Tangible fixed assets

	Leasehold improvements £	Furniture and fixtures £	Office equipments £	Total £
<b>Cost</b>				
At 1 May 2016	13,529	7,832	3,443	24,804
Additions	-	-	888	888
At 30 April 2017	13,529	7,832	4,331	25,692
<b>Depreciation</b>				
At 1 May 2016	13,529	7,832	621	21,982
Charge for the year	-	-	1,443	1,443
At 30 April 2017	13,529	7,832	2,064	23,425
<b>Net book value</b>				
At 30 April 2017	-	-	2,267	2,267
At 30 April 2016	-	-	2,822	2,822

## CG Asset Management Limited

### Notes to the accounts For the year ended 30 April 2017

#### 9. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	58,858	3,654
Corporation tax	680,772	571,633
Other taxation and social security	70,017	70,083
Accruals and deferred income	804,224	559,706
	<u>1,613,871</u>	<u>1,205,076</u>

#### 10. Called up share capital

	2017 £	2016 £
<b>Called up, allotted and fully paid:</b>		
55,574 (2016: 55,574) ordinary A shares of £0.50 each	27,787	27,787
108,090 (2016: 108,090) ordinary B shares of £0.25 each	27,023	27,023
108,090 (2016: 108,090) ordinary C shares of £0.25 each	27,022	27,022
	<u>81,832</u>	<u>81,832</u>

#### 11. Reserves

A description of each reserve is set out below.

##### Called up share capital

This represents the nominal value of shares that have been issued.

##### Share premium

The share premium account is used to record the aggregate amount or value of premiums paid when the company's shares are issued at an amount in excess of nominal value.

##### Capital redemption reserve

This reserve represents non distributable reserves which amounts are transferred to following the redemption or purchase of a company's own shares.

##### Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

# CG Asset Management Limited

## Notes to the accounts For the year ended 30 April 2017

### 12. Reconciliation of operating profit to operating cash flows

	2017 £	2016 £
Operating profit	5,713,118	5,545,175
Add back depreciation	1,443	3,101
Taxation	(1,163,269)	(1,184,045)
Increase in debtors	(5,535)	(97,469)
Increase in creditors	299,656	84,361
<b>Net cash inflow from operating activities</b>	<b>4,845,413</b>	<b>4,351,123</b>

### 13. Analysis of cash flows

	2017 £	2016 £
<b>Cash flows from investing activities</b>		
Interest received	20,175	17,415
Purchase of tangible fixed assets	(888)	(3,443)
Purchase of fixed asset investments	(2,000,000)	-
Proceeds from sale of fixed asset investments	951,634	2,568,920
Other investment income	95,922	119,482
<b>Net cash flow</b>	<b>(933,157)</b>	<b>2,702,374</b>
<b>Cash flows from financing activities</b>		
Purchase of own shares	-	(6,130,703)
Dividends	(3,017,668)	-
<b>Net cash flow</b>	<b>(3,017,668)</b>	<b>(6,130,703)</b>

### 14. Reconciliation of net cash flow to movements in net funds

	2017 £	2016 £
Increase in cash during the year	894,588	922,794
Movement in net funds in the year	894,588	922,794
Net funds at 1 May	2,686,025	1,763,231
<b>Net funds at 30 April</b>	<b>3,580,613</b>	<b>2,686,025</b>

## CG Asset Management Limited

### Notes to the accounts For the year ended 30 April 2017

#### 15. Analysis of net funds

	At 1 May 2016 £	Cash flow £	At 30 April 2017 £
Cash at bank	<u>2,686,025</u>	<u>894,588</u>	<u>3,580,613</u>

#### 16. Controlling party

The ultimate controlling party is R P A Spiller, by virtue of his 60.33 % (2016: 60.33 %) shareholding in the Company.

#### 17. Related party transactions

During the year the Company incurred expenditure of £112,549 (2016: £133,877) in respect of office facilities to Smith & Williamson Investment Management Limited ('SWIM') part of the Smith & Williamson Group of companies, which also owns 10.76% (2016: 10.76%) of the issued share capital of the Company. At 30 April 2017 £Nil (2016: £Nil) was owed to SWIM. The Company also has current and deposit account balances held with SWIM which at the year end amounted to £3,580,613 (2016: £2,686,025).

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the group, or in relation to the company, the company. In the opinion of the board the group and company's key management are the directors of CG Asset Management Limited. Total compensation to key management personnel is £2,103,808 (2016: £1,732,193).