Company Registration No. 07199183 (England and Wales)

Hanson Asset Management Limited

Annual report and financial statements
for the year ended 31 March 2016

Hanson Asset Management Limited

Company information

Directors	William Burkland Edward Collins The Hon Robert Hanson John McDonald Simon Sotomey Patrick Teroerde
Company number	07199183
Registered office	1 Grosvenor Place 8th Floor London SW1X 5HJ
Independent auditors	Saffery Champness 71 Queen Victoria Street London EC4V 4BE
Bankers	Barclays Bank plc Broadgate 2 Leicester LE87 2BB

Hanson Asset Management Limited

Contents

Hanson Asset Management Limited

Strategic report
For the year ended 31 March 2016

The directors present the strategic report and financial statements for the year ended 31 March 2016.

Review of the business
Hanson Asset Management Limited is a Financial Conduct Authority ("FCA") regulated UK company providing asset management services which include corporate advisory, wealth management and fund management. Clients include the Hanson family, professional and retail investors and institutions.

The board of directors is responsible for the overall stewardship of the company. The company's performance for the year is set out in the Income statement on page 9 and is considered by the board of directors to be an improvement compared to last year as a result of the ongoing effort to reduce costs. The company's longer term strategy aims to continue monitoring costs with the aim to improve where possible.

Risk management objectives and policy
The company's risk management policy reflects the FCA requirement that we must manage a number of different categories of risk. These include, where applicable: credit, market, business, operational, insurance, liquidity and group risk. In respect of this disclosure it is the first four of these risks that are relevant and further information is provided on these risks below.

Credit risk
The company's current business model does not expose the business to any material credit risk. The credit risk capital requirement arises due to the holding of bank deposits, loans, investments and any past due items which has been calculated as £57,225. Consequently, the company has concluded that no further action and or additional capital are required to mitigate this risk due to the surplus held over the capital requirement.

Market risk
Under Pillar 1, the company does have exposure to foreign exchange risk due to the foreign currency bank deposits held. Based on foreign exchange currencies held at the year end, the foreign exchange risk requirement is calculated as £15,894. The company has concluded that no additional capital is required to mitigate this risk.

Business Risk
The company's Pillar 2 business risk assessment considers a fall in assets under management following a market downturn that leads to lower management fees. Different economic scenarios are modeled as part of the Internal Capital Adequacy Assessment Process (ICAAP) to establish the impact of economic downturns on our financial position.

The company's directors are responsible for monitoring the impacts of any market downturn on the business. Controls implemented include the continuing monitoring of its budgets and expenses and investment managers performance to determine any market risk. Monthly management accounts are prepared by the Finance Director and reviewed by the Managing Director.

Operational risk

Most of the company's risk management efforts are focused on operational risk. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems. The company continues to review its operational and compliance procedures and ensures all staff are experienced and knowledgeable to perform their responsibilities to the highest standards of professionalism and integrity. This includes everything, from risk of administrative errors, fraud and theft. The company's policy is to operate a robust and effective risk management process, embedded within the governance and management structures of our business.

Key risk areas identified by management cover specific risk items within the following areas: Investment Management Advisory; Financial crime; Capital Adequacy; Personnel; Market; Client; Business Continuity; Strategy; Outsourcing; Operational; Legal and Regulatory compliance.

The company provides a high level summary of its assessment of risks identifying the impact and probability of each risk item then ranking each item as either high, medium or low. The company also identifies and implements measures to mitigate the risk and monitor any residual risk on an ongoing basis. The Risk Map is appended to the ICAAP which is formally approved by the directors.

Capital resources

The company's Capital Resources Requirement ("CRR") Pillar 1 calculation, as a Limited Licence Firm, is its Fixed Overheads Requirement (£274,000), which is higher than its base capital requirement (€50,000) or the Market Risk (£15,894) and Credit Risk (£57,225) combined. The company holds £614,127 as Tier 1 capital to meet its current CRR.

Credit and market risk

Disclosures in relation to the company's credit and market risks have been considered immaterial under BIPRU 11.3.5R (Exemption from disclosure: Materiality), as the company's capital requirement under GENPRU 2.1.45R (Calculation of the variable capital requirement for a BIPRU firm) is the fixed overheads requirement rather than the sum of the credit risk capital requirement and the market risk capital requirement.

Internal capital requirements

The company's overall approach to assessing the adequacy of our internal capital is set out in the Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP process involves separate consideration of risks to the company's capital combined with stress testing using scenario analysis. The level of capital required to cover risks is a function of impact and probability. Impact is assessed by modeling the changes in the company's income and expenses caused by various potential risks over a 1- year time horizon. Probability is assessed subjectively.

Following the risk and capital requirement analysis undertaken by the senior management team, the company has concluded that the additional capital required under our Pillar 2 calculation (based on the aggregation rationale) is £45,000. The company holds £614,127 in Tier 1 capital which comfortably meets the company's fixed overhead requirement. In addition, the company's PI policy provides cover up to £5 million on any one claim which, in the company's opinion, mitigates the need to apportion capital in Pillar 2. Therefore, the company's Pillar 1 requirement is the minimum regulatory capital requirement that we will hold.

The position of the company at the year end

Having generated a loss after tax for the year of £254,231 (2015: Loss of £1,769,079), the company has net assets amounting to £614,127 (2015: £668,330) at 31 March 2016 and a reasonable cash position. The directors understand the financial position of the company at the year end and expect to improve this in the future.

Remuneration policy

The disclosures documented below are in accordance with the Financial Conduct Authority ("FCA") Handbook for Banks, Building Societies and Investment Firms ("BIPRU"). The rules included within BIPRU 11 set out the provision for Pillar 3 disclosure. This document includes information required to be disclosed by the company in order to meet such obligations.

As defined by the Remuneration Code (SYSC 19a) and Pillar 3 disclosures (BIPRU), the company is a proportionality level 3 Remuneration Code Firm and as such this disclosure is made in line with the requirements of a level 3 firm.

The following disclosures are required to be made on at least an annual basis regarding the company's remuneration policy and practices for those categories of staff whose professional activities have a material impact on the risk portfolio of the firm.

Renumeration policy (continued)
The company has an independent remuneration committee which is the governing body responsible for reviewing the compensation policy and is responsible for its implementation.

The company's remuneration policy aims to remunerate staff members at fixed competitive market rates for the roles they perform. Any variable remuneration is based on performance of duties carried out during the year and the overall performance of the company in line with the current economic climate.

Based on the company's profile, the company considers there to be two business areas within the company which are non-investment advisory and Investment Management. The company has identified that it has 10 code staff during 2016, being the directors and senior personnel whose role impacts the risk portfolio of the company. For the year ended 31 March 2016 the total aggregate remuneration awarded to Code Staff was £560,046.

Key performance indicators
Given the straightforward nature of the business, the directors' are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance and position of the business.

Further developments
The Company did not follow through on the planned separation of the Investment Management and the Non-Investment Management (Advisory) Business, by hiving off the Advisory business into Hanson Capital Partners Ltd as a separate entity. This was mainly because, after further review and consideration, this was not viewed to be beneficial to the company. However, the company will continue to seek , evaluate and decide on any viable future opportunities presented.

On behalf of the board

Patrick Teroerde
Director
25 July 2016

Directors' report
For the year ended 31 March 2016

The directors present their annual report and financial statements for the year ended 31 March 2016.

Principal activities

The principal activity of the company is to provide asset management services which include corporate advisory, wealth management and fund management. Clients include the Hanson family, professional and retail investors and institutions. The company is regulated by the Financial Conduct Authority.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

William Burkland	
Edward Collins	
The Hon Robert Hanson	
John McDonald	
Ashar Qureshi	(Resigned 10 February 2016)
Simon Sotomey	
Patrick Teroerde	

Results and dividends

The results for the year are set out on page 9.

Ordinary dividends of £nil were paid in the year (2015: £nil).

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

Patrick Teroerde
Director
25 July 2016

Directors' responsibilities statement
For the year ended 31 March 2016

The directors are responsible for preparing 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 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;
- 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 have reviewed the company's financial position at the balance sheet date and for the period ending on the anniversary of the date of approval of these financial statements. They have considered liquidity risk, key assumptions and uncertainties. As a result of this assessment, the directors have adopted the going concern basis of accounting for the preparation of these financial statements.

Hanson Asset Management Limited

Independent auditors' report
To the members of Hanson Asset Management Limited

We have audited the financial statements of Hanson Asset Management Limited for the year ended 31 March 2016 set out on pages 9 to 26. 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 Financial Reporting Standard 102.

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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 31 March 2016 and of its loss 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 matters prescribed by the Companies Act 2006

In our opinion 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.

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.

Michael Di Leto (Senior Statutory Auditor)
for and on behalf of Saffery Champness

25 July 2016

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Hanson Asset Management Limited

Income statement
For the year ended 31 March 2016

	Notes	2016 £	2015 £
Turnover	3	1,362,220	1,394,110
Cost of sales		(131,707)	(1,327,848)
Gross profit		1,230,513	66,262
Administrative expenses		(1,487,287)	(1,859,192)
Operating loss	4	(256,774)	(1,792,930)
Interest receivable and similar income	7	6	23,851
Loss before taxation		(256,768)	(1,769,079)
Taxation	8	2,537	-
Loss for the financial year		(254,231)	(1,769,079)
Total comprehensive income for the year		(254,231)	(1,769,079)

The income statement has been prepared on the basis that all operations are continuing operations.

Hanson Asset Management Limited

Statement of financial position
As at 31 March 2016

	Notes	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	9		9,720		20,508
Investments	10		20,414		40,828
			30,134		61,336
Current assets					
Debtors	12	686,926		468,166	
Cash at bank and in hand		284,051		673,060	
		970,977		1,141,226	
Creditors: amounts falling due within one year	13	(386,984)		(531,695)	
Net current assets			583,993		609,531
Total assets less current liabilities			614,127		670,867
Provisions for liabilities	14		-		(2,537)
Net assets			614,127		668,330
Capital and reserves					
Called up share capital	17		4,588		1,529
Share premium account			2,896,040		2,699,071
Profit and loss reserves			(2,286,501)		(2,032,270)
Total equity			614,127		668,330

The financial statements were approved by the board of directors and authorised for issue on 25 July 2016 and are signed on its behalf by:

Patrick Teroerde
Director

Company Registration No. 07199183

Hanson Asset Management Limited

Statement of changes in equity
For the year ended 31 March 2016

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 April 2014		1,300	1,699,300	(263,191)	1,437,409
Year ended 31 March 2015:					
Loss and total comprehensive income for the year		-	-	(1,769,079)	(1,769,079)
Issue of share capital	17	229	999,771	-	1,000,000
Balance at 31 March 2015		1,529	2,699,071	(2,032,270)	668,330
Year ended 31 March 2016:					
Loss and total comprehensive income for the year		-	-	(254,231)	(254,231)
Issue of share capital	17	3,059	196,969	-	200,028
Balance at 31 March 2016		4,588	2,896,040	(2,286,501)	614,127

Hanson Asset Management Limited

Statement of cash flows
For the year ended 31 March 2016

	Notes		2016		2015
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	22		(588,438)		(566,371)
Investing activities					
Purchase of tangible fixed assets		(605)		(5,889)	
Interest received		6		23,851	
Net cash (used in)/generated from investing activities			(599)		17,962
Financing activities					
Proceeds from issue of shares		200,028		1,000,000	
Net cash generated from financing activities			200,028		1,000,000
Net (decrease)/increase in cash and cash equivalents			(389,009)		451,591
Cash and cash equivalents at beginning of year			673,060		221,469
Cash and cash equivalents at end of year			284,051		673,060

1 Accounting policies

Company information
Hanson Asset Management Limited is a company limited by shares incorporated in England and Wales. The registered office is 1 Grosvenor Place, 8th Floor, London, SW1X 5HJ.

1.1 Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern
The financial statements have been prepared on a going concern basis. The financial statements do not include any adjustments that would result from the company not being able to continue as a going concern.

1.3 Turnover
Turnover represents amounts receivable for fund and asset management services net of VAT and discounts.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	20% straight line
Computer equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies (continued)

1.5 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies (continued)

Basic financial assets

Basic financial assets, which include trade and other debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies (continued)

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016	2015
	£	£
Turnover		
Professional fees	1,362,220	1,394,110

Turnover analysed by geographical market

	2016	2015
	£	£
UK	586,235	414,837
Non UK	775,985	979,273
	1,362,220	1,394,110

4 Operating loss

	2016	2015
Operating loss for the year is stated after charging/(crediting):	£	£
Exchange (losses)/gains	10,013	(124,748)
Fees payable to the company's auditors for the audit of the company's financial statements	9,500	9,750
Depreciation of owned tangible fixed assets	11,393	13,499

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Advisory and fund management services	10	13

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	829,515	1,033,772
Social security costs	89,063	123,742
Pension costs	-	705
	918,578	1,158,219

6 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	266,297	409,663

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2015 - 1).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	152,852	153,537

7 Interest receivable and similar income

	2016	2015
	£	£
Interest income		
Interest on bank deposits	6	6
Other interest income	-	23,845
Total income	6	23,851

8 Taxation

	2016	2015
	£	£
Current tax		
UK income tax	(2,537)	-

The charge for the year can be reconciled to the loss per the income statement as follows:

	2016	2015
	£	£
Loss before taxation	(256,768)	(1,769,079)
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	(51,354)	(353,816)
Tax effect of expenses that are not deductible in determining taxable profit	2,562	(19,832)
Deferred tax adjustments	(2,537)	-
Depreciation	2,279	2,700
Capital allowances	(121)	(1,178)
Tax losses carried forward	46,634	387,662
Tax losses utilised	-	(15,536)
Tax expense for the year	(2,537)	-

The company has estimated tax losses of £2.0m (2015 - £1.8m) available for carry forward against future profits.

9 Tangible fixed assets

	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£
Cost			
At 1 April 2015	22,235	23,686	45,921
Additions	434	171	605
At 31 March 2016	22,669	23,857	46,526
Depreciation and impairment			
At 1 April 2015	10,432	14,981	25,413
Depreciation charged in the year	5,840	5,553	11,393
At 31 March 2016	16,272	20,534	36,806
Carrying amount			
At 31 March 2016	6,397	3,323	9,720
At 31 March 2015	11,803	8,705	20,508

10 Fixed asset investments

	2016	2015
	£	£
Unlisted investments	20,414	40,828

10 Fixed asset investments (continued)

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 April 2015	40,828
Valuation changes	(20,414)
At 31 March 2016	20,414
Carrying amount	
At 31 March 2016	20,414
At 31 March 2015	40,828

11 Financial instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	264,812	281,238
Equity instruments measured at cost less impairment	20,414	40,828
Carrying amount of financial liabilities		
Measured at amortised cost	337,801	494,456

12 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Trade debtors	137,223	160,782
Other debtors	135,305	136,007
Prepayments and accrued income	414,398	171,377
	686,926	468,166

13 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	130,651	194,910
Other taxation and social security	49,183	37,239
Other creditors	10,759	66,946
Accruals and deferred income	196,391	232,600
	386,984	531,695

14 Provisions for liabilities

		2016	2015
		£	£
Deferred tax liabilities	15	-	2,537
		-	2,537

15 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016	Liabilities 2015
Balances:	£	£
Accelerated capital allowances	-	2,537

	2016
Movements in the year:	£
Liability at 1 April 2015	2,537
Credit to profit and loss	(2,537)
Liability at 31 March 2016	-

16 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £- (2015 - £705).

17 Share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
4,588 ordinary shares of £1 each	4,588	1,529

Reconciliation of movements during the year:

	Ordinary £1 Number
At 1 April 2015	1,529
Issue of fully paid shares	3,059
At 31 March 2016	4,588

On 14 March 2016 the company issued 3,059 Ordinary £1 shares at a premium of £64.39 per share.

18 Financial commitments, guarantees and contingent liabilities

During the period, a minority shareholder instigated legal proceedings against the company seeking compensation for their equity investment of £1,000,000.

After legal advice, the basis of the legal proceedings is considered to be without merit and proceedings have been commenced to contest the claim. No provision has been made in these financial statements as the management do not consider that there is any probable loss.

19 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016	2015
	£	£
Within one year	33,464	-
Between two and five years	-	167,319
	33,464	167,319

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2016	2015
	£	£
Aggregate compensation	266,297	405,971

No guarantees have been given or received.

During the year the company was recharged expenses of £nil (2015: £1,319) by Hanson Family Holdings Limited, a company incorporated in England and Wales of which The Hon Robert Hanson is a director and controlling party. At the balance sheet date, a £nil balance (2015: £nil) was outstanding.

During the year the company invoiced Hanson Holdings Lux SARL investment management and advisory fees of £522,942 (2015: £480,580), a company incorporated in Luxembourg which is ultimately controlled by Christian Teroerde and The Hon Robert Hanson. At the year end the balance outstanding was £68,149 (2015: £129,124). During the year the company provided net non trade loans of £nil (2015: £nil) to Hanson Holdings Lux SARL. A fixed interest rate of 2% is charged on this loan which amounted to £nil (2015: £23,845). At the year end the balance outstanding was £1,121,879 (2015: £1,121,879) of which the company has provided against £1,121,879 (2015: £1,121,879) of this balance.

21 Controlling party

There is no one controlling party.

22 Cash generated from operations

	2016	2015
	£	£
Loss for the year after tax	(254,231)	(1,769,079)
Adjustments for:		
Taxation credited	(2,537)	-
Investment income	(6)	(23,851)
Amortisation and impairment of intangible assets	20,414	-
Depreciation and impairment of tangible fixed assets	11,393	13,499
Movements in working capital:		
(Increase)/decrease in debtors	(226,595)	1,057,578
(Decrease)/increase in creditors	(136,876)	155,482
Cash absorbed by operations	(588,438)	(566,371)