

Company Registration No. 07199183 (England and Wales)

HANSON ASSET MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

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HANSON ASSET MANAGEMENT LIMITED

COMPANY INFORMATION

Directors

E D Collins
The Hon R W Hanson
J R T McDonald
C P Teroerde
W E Burkland
A Qureshi
J C U Domingo
S K Sotomey

Secretary

F B Hope

Company number

07199183

Registered office

1 Grosvenor Place
8th Floor
London
SW1X 7HJ

Independent Auditors

Saffery Champness
Lion House
Red Lion Street
London
WC1R 4GB

Bankers

Barclays Bank plc
Broadgate 2
Leicester
LE87 2BB

HANSON ASSET MANAGEMENT LIMITED

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HANSON ASSET MANAGEMENT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2014

The directors present their strategic report for the year ended 31 March 2014.

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 Profit and Loss account on page 9 and is considered by the board of directors to be satisfactory compared to last year, to budget and to the company's longer term strategy.

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 £146,128. 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

The company has 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 £7,826. 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 modelled 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 fund managers performance to determine any market risk. All figures are reviewed quarterly by the Board with monthly management accounts prepared by the Finance Director and reviewed by the Managing Directors.

HANSON ASSET MANAGEMENT LIMITED

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

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 has sound 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 to our high-level strategy to 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.

The company's risk management framework defines what operational risk means and this is approved by the directors. The main initiative is the establishment of a 'Risk Map' which includes analysis of the key risk areas identified by the senior management. These areas 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 seeks to identify the impact and probability of each risk item and rank it as 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 (£372,000), which is higher than its base capital requirement (£50,000) or the Market Risk (£7,826) and Credit Risk (£146,128) combined. The company holds £1,437,409 (2013:£1,227,722) 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.

HANSON ASSET MANAGEMENT LIMITED

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

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 modelling 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 £97,000. The company holds £1,437,409 in Tier 1 capital which comfortably meets the company's fixed overhead requirement. In addition, the company's PI policy provides cover up to £3 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 profit after tax for the year of £209,687 (2013: Loss of £366,398), the company has net assets amounting to £1,437,409 (2013: £1,227,722) at 31 March 2014 and a strong cash position. The directors are satisfied with the financial position of the company at the year end and expect continued success 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.

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 is 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 corporate advisory and Investment Management. The company has identified that it has 13 code staff during 2013, being the directors and senior personnel whose role impacts the risk portfolio of the company. For the year ended 31 March 2014 the total aggregate remuneration awarded to Code Staff was £555,089.

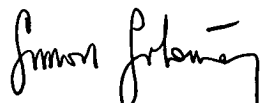
HANSON ASSET MANAGEMENT LIMITED

**STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014**

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.

On behalf of the board

A handwritten signature in black ink, appearing to read 'Simon Sotomey', written in a cursive style.

S K Sotomey

Director

24 July 2014

HANSON ASSET MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and financial statements for the year ended 31 March 2014.

Principal activities and review of the business

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 following directors have held office since 1 April 2013:

E D Collins	
The Hon R W Hanson	
F B Hope	(Resigned 2 April 2014)
J R T McDonald	
C P Teroerde	
W E Burkland	
A Qureshi	
J C U Domingo	(Appointed 30 April 2014)
S K Sotomey	(Appointed 6 May 2014)

Auditors

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

HANSON ASSET MANAGEMENT LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

Statement of directors' responsibilities

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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors 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



S K Sotomey

Director

24 July 2014

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 2014 set out on pages 9 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 .

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 2014 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 the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

HANSON ASSET MANAGEMENT LIMITED

**INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF HANSON 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.



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

24 July 2014

**Chartered Accountants
Statutory Auditors**

Lion House
Red Lion Street
London
WC1R 4GB

HANSON ASSET MANAGEMENT LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014**

		2014	2013
	Notes	£	£
Turnover	2	2,026,670	1,088,428
Cost of sales		(122,022)	(325,446)
Gross profit		1,904,648	762,982
Administrative expenses		(1,705,394)	(1,128,728)
Operating profit/(loss)	3	199,254	(365,746)
Investment income	4	3,611	-
Other interest receivable and similar income	4	6,822	989
Profit/(loss) on ordinary activities before taxation		209,687	(364,757)
Tax on profit/(loss) on ordinary activities	5	-	(1,641)
Profit/(loss) for the year	13	209,687	(366,398)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

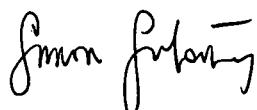
The notes on pages 12 to 21 form part of these financial statements.

HANSON ASSET MANAGEMENT LIMITED**BALANCE SHEET
AS AT 31 MARCH 2014**

	Notes	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	6		28,118		10,693
Investments	7		40,828		-
			<u>68,946</u>		<u>10,693</u>
Current assets					
Debtors	8	1,529,753		390,560	
Cash at bank and in hand		221,469		881,065	
		<u>1,751,222</u>		<u>1,271,625</u>	
Creditors: amounts falling due within one year	9	(380,222)		(52,059)	
Net current assets			<u>1,371,000</u>		<u>1,219,566</u>
Total assets less current liabilities			<u>1,439,946</u>		<u>1,230,259</u>
Provisions for liabilities	10		(2,537)		(2,537)
			<u>1,437,409</u>		<u>1,227,722</u>
Capital and reserves					
Called up share capital	12		1,300		1,300
Share premium account	13		1,699,300		1,699,300
Profit and loss account	13		(263,191)		(472,878)
Shareholders' funds	14		<u>1,437,409</u>		<u>1,227,722</u>

The notes on pages 12 to 21 form part of these financial statements.

Approved by the Board and authorised for issue on 24 July 2014



S K Sotomey
Director

Company Registration No. 07199183

HANSON ASSET MANAGEMENT LIMITED**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	£	2014 £	£	2013 £
Net cash outflow from operating activities	19		(639,564)		(449,404)
Returns on investments and servicing of finance					
Interest received		<u>1,390</u>		<u>989</u>	
Net cash inflow for returns on investments and servicing of finance			1,390		989
Capital expenditure and financial investment					
Payments to acquire tangible assets		(25,033)		(8,895)	
Receipts from sales of investments		<u>3,611</u>		<u>-</u>	
Net cash outflow for capital expenditure			(21,422)		(8,895)
Net cash outflow before management of liquid resources and financing			(659,596)		(457,310)
Financing					
Issue of ordinary share capital		<u>-</u>		<u>1,200,000</u>	
Net cash inflow from financing			-		1,200,000
(Decrease)/increase in cash in the year	20, 21		<u>(659,596)</u>		<u>742,690</u>

HANSON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

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

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

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

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Revenue recognition

Turnover is recognised on an accruals basis in accordance with the work performed to date.

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.10 Foreign currency translation

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.

HANSON ASSET MANAGEMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2014****2 Turnover****Geographical market**

	Turnover	
	2014	2013
	£	£
UK	246,044	335,650
Non UK	1,780,626	752,778
	<u>2,026,670</u>	<u>1,088,428</u>

The company's turnover is wholly attributable to fund and asset management services.

3 Operating profit/(loss)

	2014	2013
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	7,608	2,682
Loss on foreign exchange transactions	61,694	-
Auditors' remuneration	8,500	7,250
Directors' remuneration	249,569	274,388
and after crediting:		
Profit on foreign exchange transactions	-	(5,532)

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2013 - 0).

4 Investment income

	2014	2013
	£	£
Income from fixed asset investments	3,611	-
Bank interest	1,390	989
Other interest	5,432	-
	<u>10,433</u>	<u>989</u>

HANSON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) **FOR THE YEAR ENDED 31 MARCH 2014**

5 Taxation	2014	2013
	£	£
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	<u>-</u>	<u>1,641</u>
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	<u>209,687</u>	<u>(364,757)</u>
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2013 - 20.00%)	<u>41,937</u>	<u>(72,951)</u>
Effects of:		
Non deductible expenses	20,931	19,961
Depreciation add back	1,522	536
Capital allowances	(3,158)	(1,779)
Tax losses carried forward	-	54,233
Tax losses utilised	<u>(61,232)</u>	<u>-</u>
	<u>(41,937)</u>	<u>72,951</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

The company has estimated losses of £80,000 (2013 - £332,000) available for carry forward against future trading profits.

HANSON ASSET MANAGEMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2014****6 Tangible fixed assets**

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2013	11,318	3,681	14,999
Additions	9,016	16,017	25,033
At 31 March 2014	20,334	19,698	40,032
Depreciation			
At 1 April 2013	2,946	1,360	4,306
Charge for the year	5,255	2,353	7,608
At 31 March 2014	8,201	3,713	11,914
Net book value			
At 31 March 2014	12,133	15,985	28,118
At 31 March 2013	8,372	2,321	10,693

HANSON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2014

7 Fixed asset investments

	Unlisted investments	Shares in group undertakings	Total
	£	£	£
Cost			
At 1 April 2013	-	11,316	11,316
Additions	40,828	-	40,828
Disposals	-	(11,316)	(11,316)
	<u>40,828</u>	<u>-</u>	<u>40,828</u>
At 31 March 2014	40,828	-	40,828
Provisions for diminution in value			
At 1 April 2013	-	11,316	11,316
On disposals	-	(11,316)	(11,316)
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2014	-	-	-
Net book value			
At 31 March 2014	<u>40,828</u>	<u>-</u>	<u>40,828</u>
At 31 March 2013	<u>-</u>	<u>-</u>	<u>-</u>

On 18 December 2013, the company disposed of its subsidiary undertaking, Hanson Holdings Lux SARL for £3,611. The subsidiary investment was fully written down in previous periods and therefore the disposal proceeds also represent the profit on disposal recognised. The investment was sold to Hanson Investment Holdings Limited, a company in which P Teroerde, a director, is also a director and beneficial owner. Hanson Investment Holdings Limited is also partially owned by Hanson Capital Limited, a shareholder of Hanson Asset Management Limited.

HANSON ASSET MANAGEMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2014**

8 Debtors	2014	2013
	£	£
Trade debtors	224,036	76,679
Amounts owed by subsidiary undertakings	-	251,645
Other debtors	1,130,448	38,168
Prepayments and accrued income	175,269	24,068
	<u>1,529,753</u>	<u>390,560</u>

Amounts falling due after more than one year and included in the debtors above are:

	2014	2013
	£	£
Other debtors	<u>989,334</u>	<u>-</u>

9 Creditors: amounts falling due within one year	2014	2013
	£	£
Trade creditors	130,905	-
Taxes and social security costs	32,905	19,874
Accruals and deferred income	216,412	32,185
	<u>380,222</u>	<u>52,059</u>

HANSON ASSET MANAGEMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2014****10 Provisions for liabilities**

	Deferred tax liability £
Balance at 1 April 2013 & at 31 March 2014	<u>2,537</u>

The deferred tax liability is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>2,537</u>	<u>2,537</u>

**11 Pension and other post-retirement benefit commitments
Defined contribution**

	2014 £	2013 £
Contributions payable by the company for the year	<u>8,458</u>	<u>-</u>

12 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
1,300 ordinary shares of £1 each	<u>1,300</u>	<u>1,300</u>

13 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 April 2013	1,699,300	(472,878)
Profit for the year	<u>-</u>	<u>209,687</u>
Balance at 31 March 2014	<u>1,699,300</u>	<u>(263,191)</u>

HANSON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2014

14 Reconciliation of movements in shareholders' funds	2014	2013
	£	£
Profit/(Loss) for the financial year	209,687	(366,398)
Proceeds from issue of shares	-	1,200,000
Net addition to shareholders' funds	209,687	833,602
Opening shareholders' funds	1,227,722	394,120
Closing shareholders' funds	1,437,409	1,227,722

15 Financial commitments

At 31 March 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2015:

	Land and buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Operating leases which expire:				
Within two to five years	133,855	-	89,683	-

16 Directors' remuneration	2014	2013
	£	£
Remuneration for qualifying services	249,569	274,388

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2013 - 0).

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

Remuneration for qualifying services	103,746	128,916
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HANSON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2014

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2014 Number	2013 Number
Advisory and fund management services	10	6

Employment costs

	2014 £	2013 £
Wages and salaries	670,958	499,836
Social security costs	83,686	64,198
Other pension costs	8,458	-
	763,102	564,034

18 Control

There is no one ultimate controlling party of the company.

19 Reconciliation of operating profit/(loss) to net cash outflow from operating activities

	2014 £	2013 £
Operating profit/(loss)	199,254	(365,746)
Depreciation of tangible assets	7,608	2,682
Increase in debtors	(1,133,761)	(121,308)
Increase in creditors within one year	328,163	34,968
Share based payment for services rendered	(40,828)	-
Net cash outflow from operating activities	(639,564)	(449,404)

HANSON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) **FOR THE YEAR ENDED 31 MARCH 2014**

20 Analysis of net debt	1 April 2013	Cash flow	Other non-cash changes	31 March 2014
	£	£	£	£
Net cash:				
Cash at bank and in hand	881,065	(659,596)	-	221,469
Net funds	881,065	(659,596)	-	221,469

21 Reconciliation of net cash flow to movement in net funds	2014	2013
	£	£
(Decrease)/increase in cash in the year	(659,596)	742,690
Movement in net funds in the year	(659,596)	742,690
Opening net funds	881,065	138,375
Closing net funds	221,469	881,065

22 Related party relationships and transactions

During the year the company was recharged expenses of £39,375 (2013: £79,089) by Hanson Family Holdings Limited, a company incorporated in England and Wales of which The Hon R W Hanson is a director and controlling party. At the balance sheet date, a £nil balance (2013: £nil) was outstanding.

During the year the company provided net non trade loans of £732,257 to its former subsidiary undertaking Hanson Holdings Lux SARL (2013: £354,131), a company incorporated in Luxembourg. A fixed interest rate of 2% is charged on this loan which amounted to £5,432 (2013: £nil). The company has provided against £102,486 (2013: £102,486) of the non trade loan and as at 31 March 2014 £989,334 remained outstanding. This undertaking was sold prior to the year end to Hanson Investment Holdings Limited, a company incorporated in England and Wales of which P Teroerde is a director and owner and Hanson Capital Limited a shareholder. A profit of £3,611 was realised on disposal.

During the year the company recharged salaries to The Hon R W Hanson, a director and controlling party, totalling £25,936. At the balance sheet date, a debtor of £5,557 was outstanding.

During the year, the company was recharged expenses of £65,831 by Strand Hanson Limited, a company incorporated in England and Wales of which The Hon R W Hanson is a director. There was no outstanding balance at the period end.

HANSON ASSET MANAGEMENT LIMITED**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014**

		2014		2013
	£	£	£	£
Turnover				
Fund and asset management fee income		2,026,670		1,088,428
Cost of sales				
Fees paid away	68,855		325,446	
Bad debts	53,167		-	
		(122,022)		(325,446)
Gross profit		1,904,648		762,982
Administrative expenses		(1,705,394)		(1,128,728)
Operating profit/(loss)		199,254		(365,746)
Other interest receivable and similar income				
Bank interest received	1,390		989	
Other interest receivable accrued	5,432		-	
		6,822		989
Income from investments				
P/L on disposal of unlisted investment		3,611		-
Profit/(loss) before taxation		209,687		(364,757)

This page does not form part of the financial statements on which the auditors have reported.

HANSON ASSET MANAGEMENT LIMITED**SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 MARCH 2014**

	2014	2013
	£	£
Administrative expenses		
Wages and salaries	428,458	232,336
Directors' remuneration	242,500	267,500
Employer's N.I. contributions	83,686	64,198
Staff pension costs	8,458	-
Staff training	3,450	5,124
Rent	94,971	107,522
Rates	60,727	-
Insurance	35,564	18,297
Office Costs	8,933	7,561
Light and heat	2,039	-
Cleaning	4,696	-
Repairs and maintenance	3,759	-
Service charge payable	63,129	-
Printing, postage and stationery	47,936	11,303
Advertising	1,000	-
Telephone	25,567	13,894
Computer running costs	101,566	28,996
FCA fees and consultants	9,480	25,886
Travelling expenses	67,643	71,463
Entertaining - staff	2,662	-
Entertaining - clients	40,374	-
Legal and professional fees	66,551	9,765
Consultancy fees	158,646	153,107
Audit fees	8,500	7,250
Other non-audit fees	-	4,250
Bank charges	1,172	640
Bad and doubtful debts	-	102,486
Profit/loss on foreign currency	61,694	(5,532)
Recruitment	58,469	-
Irrecoverable VAT	3,783	-
Sundry expenses	(1,270)	-
Subscriptions	3,643	-
Depreciation on FF & E	2,353	638
Depreciation on computer equipment	5,255	2,044
	<u>1,705,394</u>	<u>1,128,728</u>

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