

Registered number: 09770730

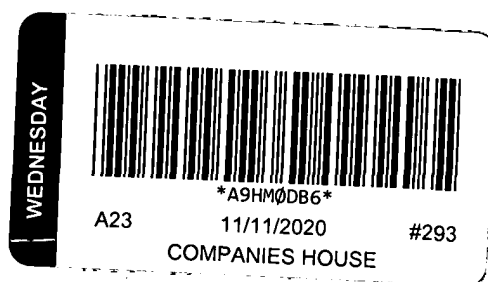
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**CATLEY LAKEMAN MAY LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2020**



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**CATLEY LAKEMAN MAY LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	R J Butland R E Catley A M Lakeman R P Lanyon C A J Macdonald T A May A J Stenning
<b>Registered number</b>	09770730
<b>Registered office</b>	One Eleven Edmund Street Birmingham B3 2HJ
<b>Independent auditor</b>	Nexia Smith & Williamson Chartered Accountants & Statutory Auditor 25 Moorgate London EC2R 6AY
<b>Bankers</b>	Handelsbanken PLC 3rd Floor, 86 Jermyn Street London
<b>Solicitors</b>	Gateley PLC One Eleven Edmund Street Birmingham B3 2HJ

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**CATLEY LAKEMAN MAY LIMITED**

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**CATLEY LAKEMAN MAY LIMITED**

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**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

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**Introduction**

The directors present their Group Strategic Report for Catley Lakeman May Limited and its subsidiary companies (together, the "Group") for the year ended 30 June 2020.

**Principal activities**

The principal activity is the provision of asset management services and derivative brokerage services to and through professional clients and advisers.

**Business review**

The financial year to 30th June 2020 was extremely strong for the Group, with revenues up 34% on the previous year to GBP10m and EBITDA up 36% to GBP4m. Assets under management (AUM) stood at GBP1.5bn at the financial year end, an increase of 29% over the previous year, in spite of the absolute value of markets falling significantly. The Group also purchased the remaining 55% stake in Albemarle Street Partners for cash in January 2020. This business, which began in January 2019, has raised GBP200m in assets at the time of writing, from a standing start, providing strong diversified growth.

The business moved offices in February 2020 to a much larger site in Throgmorton Avenue EC2. Whilst London Wealth Management clients historically have been split between the City and the West End, the majority have migrated to the City over the last few years. The Group opportunely took advantage of the current lull in demand for Commercial Property to strike an attractive, yet relatively short-term lease, affording flexibility in the current environment. In addition, staff numbers and infrastructure spending increased and costs were therefore 30% higher. The business is structurally well placed to enter a significant growth phase, having invested heavily over the last few years in both staff and infrastructure.

**Impact of COVID-19**

The final quarter of the year was obviously dominated by the outbreak of the COVID-19 pandemic. The Group fared well over this period and continues to do so in the ensuing uncertainty. A previously planned and rehearsed contingency strategy for working remotely was enacted seamlessly and client communication reorganised successfully to suit circumstances. This resulted in a small net aggregate inflow in the last quarter to 30th June, whilst large parts of the industry suffered record outflows. This is testament to the attractiveness of defined return type investment strategies in times of uncertainty. The core Defined Return Fund has now outperformed the FTSE100 Total Return by over 30% since launch, with lower volatility.

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**CATLEY LAKEMAN MAY LIMITED**

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**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2020**

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**Principal risks and uncertainties**

It is accepted that the COVID-19 pandemic and its ongoing uncertainty may slow growth in AUM over the financial year to 30 June 2021 and possibly beyond, as clients make less investment decisions and adjust to what is being called "the new normal". However, it also creates opportunities, given the objectives of the core fund offering in the context of continuing market uncertainty. It appears extremely likely that existing assets will remain on book, by dint of the fact that they haven't moved significantly at the time of writing and the funds have recovered strongly from the initial market shock as expected. The key challenge is to take what is a relatively specialised investment concept into new clients and markets in the current remote, digital environment. Whilst existing clients will happily dial in to video calls, this is less clear with new clients. Significant work is being carried out to address this, as is the case across the industry as a whole, as it adjusts to current circumstances.

**Financial key performance indicators**

The Directors use a number of key performance measures to monitor and manage performance within the business. The key performance indicators used are turnover, gross profit and operating profit and these are disclosed in the financial statements. The Directors monitor these key performance indicators on a regular basis throughout the year to ensure the group's strategy is achieved.

**Future developments**

At the end of the financial year, I stepped down from my role as Group Chief Executive to focus on new growth areas for the business, including a joint venture business to market the Group's specialist asset management to institutions and wealth managers internationally. Tony Stenning agreed to move from his role as Non-Executive Director to take over as Group CEO. Tony is well known within the asset management industry and his long career in senior management at BlackRock and various current Board positions made him by far the outstanding candidate. This is part of a well-planned process of succession and Tony is well-placed and suitably incentivised to take the Group to the next key phase of its evolution, with ambitious, yet achievable targets.

In summary, the financial year was very strong and whilst there are potential headwinds in what are unprecedented times, there are also outstanding opportunities for which the Group is extremely well positioned to take advantage.

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**CATLEY LAKEMAN MAY LIMITED**

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**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2020**

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**Directors' Section 172(1) statement**

*Long Term Considerations*

All major decisions that could impact the long-term outlook of the business are taken with reference to the Board (which contains all of the Company's shareholders) and are considered within the overall risk management process of the business.

*Company Employees Interests*

The interests of the Company's employees are aligned with the interests of the Board. Staff are paid well in comparison to the broader market and especially so in relation to specific competitors of a similar size and structure. Part of the employees' remuneration is discretionary and part, in certain areas, is performance based. Any such performance-based remuneration is geared to behaviour as much as outright performance. A Non-Executive Board member is available to employees for consultation at all times.

*Business Relationships with Suppliers, Customers and Others*

The Company's relationship with its customers is important and has always been a strength. The business operates in relatively specialist sectors of the investment markets, so client communication is regular, detailed and two-way. A similar situation exists with suppliers, both in terms of the Company's business and professional operations.

The Company is authorised and regulated by the Financial Conduct Authority which oversees its conduct and prudential management. The FCA supervises and engages with the Company through its periodic and ad-hoc reporting requirements.

*Impact of the Company's Operations on the Community and Environment*

The Company, given its area of operation and structure, has little effect on the environment and limited impact on the community.

*High Standards of Business Conduct*

The Company has been built on operating at the very highest standards, as is evident by its "trusted adviser" status within its specific sector of the market.


*Company Shareholders*

All of the Company's shareholders are current Board members and are instrumental in the strategic direction and decision making of the Company.

**Financial risk management**

Details of the Group's financial instruments and its policies with regards to financial risk management are given in note 18.

This report was approved by the board and signed on its behalf.

DocuSigned by:  
  
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**R E Catley**  
Director

Date: 21 October 2020

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**CATLEY LAKEMAN MAY LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

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The directors present their report and the financial statements for the year ended 30 June 2020.

**Results and dividends**

The profit for the year, after taxation, amounted to £1,879,876 (2019: £1,155,654).

During the year, the Company paid dividends of £600,000 (2019: £480,000). The directors do not propose a final dividend (2019: £Nil).

**Directors**

The directors who served during the year were:

R J Butland (appointed 27 February 2020)  
R E Catley  
A M Lakeman  
R P Lanyon  
C A J Macdonald  
T A May  
A J Stenning (appointed 1 October 2019)

**Environmental reporting statement**

The Company has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as its energy consumption in the United Kingdom for the year is 40,000kWh or lower.

**Matters covered in the Group Strategic Report**

Where necessary, disclosures relating to future developments have been made in the Group Strategic Report and have not been repeated here in accordance with Section 414C of the Companies Act 2006.

**Post balance sheet events**

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

**Pillar 3 disclosures**

Copies of the Company's Pillar 3 disclosures as required by the IFPRU Rules of the FCA Handbook will be available from the Company's website at <http://www.catleylakeman.co.uk>

**Disclosure of information to auditor**

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

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

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**CATLEY LAKEMAN MAY LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2020**

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**Auditor**

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:  
  
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**R E Catley**  
Director

Date: 21 October 2020



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**CATLEY LAKEMAN MAY LIMITED**

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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2020**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements 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 Group 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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATLEY LAKEMAN MAY LIMITED

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### Opinion

We have audited the financial statements of Catley Lakeman May Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2020 and of the Group's 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATLEY LAKEMAN MAY LIMITED (CONTINUED)

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### **Emphasis of matter - impact of COVID-19**

We draw attention to note 2.3 of the financial statements, which describes the impact of COVID-19 on the Company. Our opinion is not modified in respect of this matter.

### **Other information**

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinion on other matters 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.

### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

### **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's or the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATLEY LAKEMAN MAY LIMITED  
(CONTINUED)**

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Nexia Smith & Williamson*

Guy Swarbreck (Senior Statutory Auditor)

for and on behalf of

**Nexia Smith & Williamson**

Chartered Accountants  
Statutory Auditor

25 Moorgate  
London  
EC2R 6AY

21 October 2020

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**CATLEY LAKEMAN MAY LIMITED**

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2020**

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	Note	2020 £	<i>Restated</i> 2019 £
Turnover	5	9,988,628	7,472,295
<b>Gross profit</b>		<u>9,988,628</u>	<u>7,472,295</u>
Administrative expenses		(6,132,728)	(4,576,262)
Intangible asset amortisation	12	(1,276,692)	(1,187,646)
<b>Operating profit</b>	6	<u>2,579,208</u>	<u>1,708,387</u>
Interest receivable and similar income		145	28
Movement in fair value of current asset investments		66,400	(4,700)
<b>Profit before taxation</b>		<u>2,645,753</u>	<u>1,703,715</u>
Tax on profit	10	(765,877)	(548,061)
<b>Profit for the financial year</b>		<u><u>1,879,876</u></u>	<u><u>1,155,654</u></u>

There was no other comprehensive income for 2020 (2019: £Nil).


The notes on pages 16 to 39 form part of these financial statements.

**CATLEY LAKEMAN MAY LIMITED**  
**REGISTERED NUMBER:09770730**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2020**

	Note	2020 £	Restated 2019 £
<b>Fixed assets</b>			
Intangible assets	12	8,539,930	9,395,262
Tangible assets	13	31,511	13,470
Investments	14	250,000	-
		<u>8,821,441</u>	<u>9,408,732</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	15	1,199,997	997,168
Current asset investments	16	1,069,117	1,001,070
Cash at bank and in hand		4,629,298	3,257,177
		<u>6,898,412</u>	<u>5,255,415</u>
Creditors: amounts falling due within one year	17	(2,363,976)	(2,588,146)
<b>Net current assets</b>		<u>4,534,436</u>	<u>2,667,269</u>
<b>Net assets</b>		<u><u>13,355,877</u></u>	<u><u>12,076,001</u></u>
<b>Capital and reserves</b>			
Called up share capital	20	600,000	600,000
Share premium account	21	9,310,697	9,310,697
Profit and loss account	21	3,445,180	2,165,304
<b>Shareholders' funds</b>		<u><u>13,355,877</u></u>	<u><u>12,076,001</u></u>

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

DocuSigned by:  
  
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**R E Catley**  
 Director

Date: 21 October 2020

The notes on pages 16 to 39 form part of these financial statements.


**CATLEY LAKEMAN MAY LIMITED**  
**REGISTERED NUMBER:09770730**

**COMPANY BALANCE SHEET**  
**AS AT 30 JUNE 2020**

	Note	2020 £	Restated 2019 £
<b>Fixed assets</b>			
Intangible assets	12	5,750,840	6,659,480
Tangible assets	13	29,626	12,661
Investments	14	5,457,680	4,259,640
		<u>11,238,146</u>	<u>10,931,781</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	15	3,306,576	3,032,328
Current asset investments	16	1,061,700	995,300
Cash at bank and in hand		3,180,607	2,294,984
		<u>7,548,883</u>	<u>6,322,612</u>
Creditors: amounts falling due within one year	17	(4,091,844)	(4,359,676)
<b>Net current assets</b>		<u>3,457,039</u>	<u>1,962,936</u>
<b>Net assets</b>		<u><u>14,695,185</u></u>	<u><u>12,894,717</u></u>
<b>Capital and reserves</b>			
Called up share capital	20	600,000	600,000
Share premium account	21	9,310,697	9,310,697
Profit and loss account	21	4,784,488	2,984,020
<b>Shareholders' funds</b>		<u><u>14,695,185</u></u>	<u><u>12,894,717</u></u>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the Parent Company for the year was £2,400,468 (2019 - £1,421,167).

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

DocuSigned by:  
  
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**R E Catley**  
 Director

Date: 21 October 2020

The notes on pages 16 to 39 form part of these financial statements.

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**CATLEY LAKEMAN MAY LIMITED**


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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020**


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	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>At 1 July 2018</b>	<b>600,000</b>	<b>9,310,697</b>	<b>1,489,650</b>	<b>11,400,347</b>
<b>Comprehensive income for the year</b>				
Profit for the year - restated	-	-	1,155,654	1,155,654
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(480,000)	(480,000)
<b>At 1 July 2019 - restated</b>	<b>600,000</b>	<b>9,310,697</b>	<b>2,165,304</b>	<b>12,076,001</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,879,876	1,879,876
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(600,000)	(600,000)
<b>At 30 June 2020</b>	<b>600,000</b>	<b>9,310,697</b>	<b>3,445,180</b>	<b>13,355,877</b>



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**CATLEY LAKEMAN MAY LIMITED**

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**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020**

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	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>At 1 July 2018</b>	<b>600,000</b>	<b>9,310,697</b>	<b>2,042,853</b>	<b>11,953,550</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,421,167	1,421,167
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(480,000)	(480,000)
<b>At 1 July 2019</b>	<b>600,000</b>	<b>9,310,697</b>	<b>2,984,020</b>	<b>12,894,717</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	2,400,468	2,400,468
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(600,000)	(600,000)
<b>At 30 June 2020</b>	<b>600,000</b>	<b>9,310,697</b>	<b>4,784,488</b>	<b>14,695,185</b>

## CATLEY LAKEMAN MAY LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 £	Restated 2019 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,879,876	1,155,655
<b>Adjustments for:</b>		
Amortisation of intangible assets	1,276,692	1,187,649
Depreciation of tangible assets	12,721	8,191
Interest received	(145)	(28)
Taxation charge	765,877	548,061
(Increase) in debtors	(202,829)	(270,828)
(Decrease)/increase in creditors	(131,573)	1,875,006
Corporation tax (paid)	(858,474)	(559,200)
Investment revaluation	(66,400)	4,700
<b>Net cash generated from operating activities</b>	<b>2,675,745</b>	<b>3,949,206</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(421,360)	(1,533,069)
Purchase of tangible fixed assets	(30,762)	(11,578)
Purchase of unlisted and other investments	(250,000)	-
Purchase of fixed asset investments	-	(510,000)
Interest received	145	28
Additions to current asset investments	(1,647)	(1,005,770)
Cash acquired with subsidiaries	-	402,292
<b>Net cash used in investing activities</b>	<b>(703,624)</b>	<b>(2,658,097)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(600,000)	(480,000)
<b>Net cash used in financing activities</b>	<b>(600,000)</b>	<b>(480,000)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,372,121</b>	<b>811,109</b>
Cash and cash equivalents at beginning of year	3,257,177	2,446,068
<b>Cash and cash equivalents at the end of year</b>	<b>4,629,298</b>	<b>3,257,177</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	4,629,298	3,257,177

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**CATLEY LAKEMAN MAY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

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**1. General information**

Catley Lakeman May Limited is a private limited company, limited by shares, domiciled and incorporated in England and Wales (registered number: 09770730). The registered office address is One Eleven, Edmund Street, Birmingham, B3 2HJ.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK 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 Group management to exercise judgement in applying the Group's accounting policies (see note 4).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

Under the provisions of section 479C of the Companies Act 2006, the members of Catley Lakeman May Limited have elected to provide a guarantee to its subsidiaries Marabel Ltd (company number 09754651), Albemarle Street Partners Ltd (company number 08664625) and Atlantic House Investments Limited (company number 11962808) exempting the subsidiaries from statutory audit under section 479A of the Companies Act 2006.

In preparing the separate financial statements of the Parent Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No Statement of Cash Flows has been presented for the Parent Company; and
- No disclosures have been given for the aggregate remuneration of the key management personnel of the Parent Company as their remuneration is included in the totals for the Group as a whole.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

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**CATLEY LAKEMAN MAY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

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**2. Accounting policies (continued)**

**2.2 Basis of consolidation (continued)**

For the years ended 30 June 2020 and 30 June 2019, Marabel Ltd and Albemarle Street Partners Ltd have results included for differing periods.

Marabel Ltd's results represent the 15 month period beginning 1 April 2019 and ended 30 June 2020 and Albemarle Street Partners Ltd's results are for the 12 month period ended 31 July 2020. Marabel Ltd's accounting reference date previously was 31 March and the Group's results for the 30 June 2019 include Marabel Ltd's results for the 12 months ended 31 March 2019 as it was assessed that no significant transactions had taken place between Marabel Ltd and Catley Lakeman May Limited's differing accounting reference dates. Similarly, for the year ended 30 June 2019, Albemarle Street Partners Ltd's results are for the 5 month period ended 31 July 2019.

**2.3 Going concern**

The Group has cash resources and has no requirement for external funding. The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

The directors have reviewed the performance of the Group and considered the impact of the COVID-19 pandemic. While the impact of COVID-19 remains uncertain, given financial results for the final quarter of the year, the directors consider the impact to not result in material uncertainty.

**2.4 Foreign currency translation**

**Functional and presentation currency**

The Group's functional and presentational currency is GBP.

**Transactions and balances**

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

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

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**CATLEY LAKEMAN MAY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

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**2. Accounting policies (continued)**

**2.5 Revenue**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover for derivative brokerage services provided by Catley Lakeman May Limited consists of fees receivable for the agency brokerage of manufactured and distributed derivative products to institutional clients. Fees are recognised on an accruals basis.

Turnover for asset management services provided by Atlantic House Fund Management LLP and Marabel Ltd are recognised on an accruals basis in line with the fund management agreements between the Group and its clients.

Turnover for derivative brokerage services provided by Dura Capital Limited consists of fees receivable for the agency brokerage of manufactured and distributed retail products. Fees are recognised on an accruals basis.

Gross trading volumes for the year across the Group were £1,441,020,482 (2019: £1,335,835,207).

**2.6 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.7 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

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**CATLEY LAKEMAN MAY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

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**2. Accounting policies (continued)****2.8 Intangible assets****Goodwill - Group**

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

**Goodwill - Parent Company**

Goodwill recognised in the Parent Company is from the acquisition of the trade and assets of Catley Lakeman LLP.

**IT platform**

IT platform development costs are capitalised at cost on the accruals basis depending on when development has been performed and is subsequently amortised.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years
IT platform	-	5	years

**2.9 Tangible fixed assets**

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

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**CATLEY LAKEMAN MAY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

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**2. Accounting policies (continued)**

**2.9 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	33%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.10 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments into funds operated by the Company are measured at fair value using externally available market prices.

Investments in associates are measured at cost less results attributable to the Company following the acquisition date.

**2.11 Associates and joint ventures**

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Balance Sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

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**CATLEY LAKEMAN MAY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

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**2. Accounting policies (continued)**

**2.12 Pensions**

**Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

**2.13 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

For financial assets measured at fair value, the fair value is assessed at each balance sheet date. Changes in fair value are recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

**2.14 Taxation**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.



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CATLEY LAKEMAN MAY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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## 2. Accounting policies (continued)

## 2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

## 3. Prior year adjustment

During the financial year ended 30 June 2019, the Group acquired a 45% shareholding in Marabel Ltd ("Marabel") and its subsidiary Albemarle Street Partners Limited ("ASPIM"). At acquisition this shareholding was treated as an associate and results shown as 'share of results from associates'. Following acquisition of the remaining share capital during the year ended 30 June 2020 and the subsequent integration of Marabel and ASPIM into the Group, this initial assessment has been revised. Following review, Marabel and ASPIM have been assessed as subsidiaries from the date of acquisition. In addition, the directors consider the subsequent acquisition of shares in January 2020 as being linked to the initial acquisition in January 2019 resulting in the two subsidiaries also being treated as wholly owned from the date of the initial acquisition in January 2019. A summary of the impact on the Group and the Company are as follows:

	Previously stated 30 June 2019 £	Effect of revisions £	As restated 30 June 2019 £
<b>Consolidated Balance Sheet</b>			
Goodwill	7,919,845	1,325,937	9,245,782
Tangible assets	12,661	809	13,470
Investments	505,401	(505,401)	-
Trade debtors	826,559	14,400	840,959
Other debtors	11,884	25,341	37,225
Cash at bank and in hand	2,719,339	537,778	3,257,117
Trade creditors	(93,659)	(90)	(93,749)
Other creditors	(4,962)	(1,320,000)	(1,324,962)
Accruals	(825,412)	(3,238)	(828,650)
Corporation tax	(262,152)	(73,867)	(336,019)
Other tax and social security	(10)	(4,756)	(4,766)
Net effect	2,168,391	(3,088)	2,165,303

## CATLEY LAKEMAN MAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

	<i>Previously stated 30 June 2019 £</i>	<i>Effect of revisions £</i>	<i>As restated 30 June 2019 £</i>
<b>Consolidated Statement of Comprehensive Income</b>			
Revenue	7,425,330	46,965	7,472,295
Administrative expenses	(5,716,917)	(46,991)	(5,763,908)
Share of results from associates	(4,599)	4,599	-
Tax on profit	(540,400)	(7,661)	(548,061)
Net effect	<u>1,163,414</u>	<u>(3,088)</u>	<u>1,160,326</u>

	<i>Previously stated 30 June 2019 £</i>	<i>Effect of revisions £</i>	<i>As restated 30 June 2019 £</i>
<b>Company Balance Sheet</b>			
Fixed asset investments	3,059,640	1,200,000	4,259,640
Other creditors	(4,954)	(1,200,000)	(1,204,954)
Net effect	<u>3,054,686</u>	<u>-</u>	<u>3,054,686</u>

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

*Goodwill*

Goodwill is attributable to the expected utility of operating and commercial relationships held by the directors. The utility of the Group's investment at the transaction date was estimated to have a life of 10 years.

*Investment in subsidiaries*

The Group acquired a 45% shareholding in Marabel Limited and Albemarle Street Partners Limited in January 2019. As the Group had the ability to direct the decision making of the companies, the directors have assessed the group as having de facto control from the point of acquisition. This has resulted in a prior year adjustment which is disclosed in note 3. In January 2020 the Group acquired the remaining shareholdings and the directors have considered the transaction linked to the initial acquisition of 45%. As a result, a non-controlling interest is not shown from the point of initial acquisition.

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**CATLEY LAKEMAN MAY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

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**5. Turnover**

An analysis of turnover by class of business is as follows:

	2020 £	<i>Restated</i> 2019 £
Derivative brokerage	2,536,073	2,707,996
Asset management	7,452,555	4,764,299
	<u>9,988,628</u>	<u>7,472,295</u>

Analysis of turnover by country of destination:

	2020 £	<i>Restated</i> 2019 £
United Kingdom	3,326,574	2,754,959
Rest of Europe	6,662,054	4,717,336
	<u>9,988,628</u>	<u>7,472,295</u>

**6. Operating profit**

The operating profit is stated after charging:

	2020 £	2019 £
Exchange differences	(6,568)	(473)
Other operating lease rentals	316,405	174,352
	<u>316,405</u>	<u>174,352</u>

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**CATLEY LAKEMAN MAY LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**


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**7. Auditor's remuneration**

	2020 £	2019 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>24,145</u>	<u>16,400</u>
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
Audit-related assurance services	14,700	15,275
Audit of the Group's subsidiaries annual financial statements	29,815	24,200
Taxation compliance services	15,900	10,500
Other services relating to taxation	1,250	-
All other services	12,515	8,755
	<u>74,180</u>	<u>58,730</u>

**8. Employees**

	2020 £	2019 £
Wages and salaries	3,368,041	2,594,518
Social security costs	398,174	306,378
Contributions to defined contribution pension scheme	92,389	57,915
	<u>3,858,604</u>	<u>2,958,811</u>

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

	Group 2020 No.	Group 2019 No.	Company 2020 No.	Company 2019 No.
Office staff	<u>27</u>	<u>21</u>	<u>27</u>	<u>21</u>

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**CATLEY LAKEMAN MAY LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**


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**9. Directors' remuneration**

	2020 £	2019 £
Aggregate emoluments	890,000	330,000
Members' remuneration	325,000	325,000
	<u>1,215,000</u>	<u>655,000</u>

During the year retirement benefits were accruing to Nil directors (2019: Nil) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £370,000 (2019: £150,000) and members' remuneration of £125,000 (2019: £125,000).

**10. Taxation**

	2020 £	Restated 2019 £
<b>Corporation tax</b>		
Current tax on profits for the year	757,275	548,061
Adjustments in respect of previous periods	8,602	-
<b>Total current tax</b>	<u>765,877</u>	<u>548,061</u>
<b>Taxation on profit on ordinary activities</b>	<u>765,877</u>	<u>548,061</u>

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CATLEY LAKEMAN MAY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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## 10. Taxation (continued)

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2019 - *higher than*) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £	<i>Restated</i> 2019 £
Profit on ordinary activities before tax	<b>2,645,753</b>	1,707,832
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	<b>502,693</b>	324,488
<b>Effects of:</b>		
Expenses not deductible for tax purposes	<b>12,008</b>	7,914
Deferred tax not recognised	-	176,022
Other differences leading to an increase in the tax charge	<b>65,870</b>	39,637
Adjustments in respect of prior periods	<b>8,602</b>	-
Remeasurement of deferred tax for changes in tax rates	<b>176,704</b>	-
<b>Total tax charge for the year</b>	<b>765,877</b>	548,061

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

## 11. Dividends

In the year, the Company paid dividends of £600,000 (2019: £480,000). At the year end, there is £Nil outstanding (2019: £Nil). The Company also received drawings from Atlantic House Fund Management LLP of £5,622,793 (2019: £3,440,000) and dividends from Marabel Ltd of £600,000 (2019: £nil).

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**CATLEY LAKEMAN MAY LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**


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**12. Intangible assets****Group**

	IT platform £	Goodwill £	Total £
<b>Cost</b>			
At 1 July 2019 - restated	149,480	12,683,586	12,833,066
Additions	21,360	400,000	421,360
At 30 June 2020	170,840	13,083,586	13,254,426
<b>Amortisation</b>			
At 1 July 2019 - restated	-	3,437,804	3,437,804
Charge for the year	-	1,276,692	1,276,692
At 30 June 2020	-	4,714,496	4,714,496
<b>Net book value</b>			
At 30 June 2020	170,840	8,369,090	8,539,930
At 30 June 2019 - restated	149,480	9,245,782	9,395,262

Amortisation charged is included in profit and loss as part of 'Intangible asset amortisation'.

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CATLEY LAKEMAN MAY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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## 12. Intangible assets (continued)

## Company

	IT platform £	Goodwill £	Total £
<b>Cost</b>			
At 1 July 2019	149,480	9,300,000	9,449,480
Additions	21,360	-	21,360
At 30 June 2020	170,840	9,300,000	9,470,840
<b>Amortisation</b>			
At 1 July 2019	-	2,790,000	2,790,000
Charge for the year	-	930,000	930,000
At 30 June 2020	-	3,720,000	3,720,000
<b>Net book value</b>			
At 30 June 2020	170,840	5,580,000	5,750,840
At 30 June 2019	149,480	6,510,000	6,659,480



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CATLEY LAKEMAN MAY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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## 13. Tangible fixed assets

## Group

	Fixtures and fittings £
<b>Cost or valuation</b>	
At 1 July 2019 - restated	97,369
Additions	30,762
At 30 June 2020	<u>128,131</u>
<b>Depreciation</b>	
At 1 July 2019 - restated	83,899
Charge for the year on owned assets	12,721
At 30 June 2020	<u>96,620</u>
<b>Net book value</b>	
At 30 June 2020	<u><u>31,511</u></u>
<i>At 30 June 2019 - restated</i>	<u><u>13,470</u></u>

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CATLEY LAKEMAN MAY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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## 13. Tangible fixed assets (continued)

## Company

	Fixtures and fittings £
<b>Cost</b>	
At 1 July 2019	95,788
Additions	29,215
At 30 June 2020	<u>125,003</u>
<b>Depreciation</b>	
At 1 July 2019	83,127
Charge for the year	12,250
At 30 June 2020	<u>95,377</u>
<b>Net book value</b>	
At 30 June 2020	<u>29,626</u>
At 30 June 2019	<u>12,661</u>

## 14. Fixed asset investments

## Group

	Investment in joint ventures £
<b>Cost or valuation</b>	
Additions	250,000
At 30 June 2020	<u>250,000</u>

## CATLEY LAKEMAN MAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

## 14. Fixed asset investments (continued)

## Company

	Investments in subsidiary companies £	Investment in joint ventures £	Total £
<b>Cost or valuation</b>			
At 1 July 2019 (as previously stated)	2,549,640	-	2,549,640
Prior Year Adjustment	1,710,000	-	1,710,000
At 1 July 2019 (as restated)	4,259,640	-	4,259,640
Additions	948,040	250,000	1,198,040
At 30 June 2020	5,207,680	250,000	5,457,680

## Direct subsidiary undertakings

The following were direct subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Atlantic House Fund Management LLP	One Eleven, Edmund Street, Birmingham, B3 2HJ	Members' Capital	100%
Dura Capital Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	Share Capital	100%
Marabel Ltd	10 Throgmorton Avenue, London, EC2N 2DL	Share Capital	100%
Atlantic House Investments Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	Share Capital	100%

The aggregate of the share capital and reserves as at 30 June 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of capital and reserves £	Profit/(Loss) £
Atlantic House Fund Management LLP	2,901,556	-
Dura Capital Limited	187,278	(83,707)
Marabel Limited	205,066	644,727
Atlantic House Investments Limited	600,001	-

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**CATLEY LAKEMAN MAY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

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**14. Fixed asset investments (continued)****Indirect subsidiary undertaking**

The following was an indirect subsidiary undertaking of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Albemarle Street Partners Limited	10 Throgmorton Avenue, London, EC2N 2DL	Share Capital	100%

**Participating interests**

During the year ended 30 June 2020, the Group and the Company acquired a 25% shareholding in AH International Limited. The Company purchased 250,000 'B' shares for £250,000. This acquisition is considered a joint venture as no participating party has control. During the year ended 30 June 2020, AH International Limited has not traded.

## CATLEY LAKEMAN MAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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## 15. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	959,347	840,959	303,955	364,161
Amounts owed by group undertakings	-	-	2,691,556	2,547,032
Other debtors	125	37,225	104,232	11,947
Prepayments and accrued income	240,525	118,984	206,833	109,188
	<u>1,199,997</u>	<u>997,168</u>	<u>3,306,576</u>	<u>3,032,328</u>

## 16. Current asset investments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Investment in derivative funds	1,069,117	1,001,070	1,061,700	995,300

Further information relating to the fair value of the Group and the Company's current asset investments is included in note 19.

## 17. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	214,927	93,749	113,083	71,462
Amounts owed to group undertakings	-	-	2,074,143	2,074,143
Corporation tax	243,423	336,019	123,082	262,152
Other taxation and social security	12,861	4,766	10	10
Other creditors	470,515	1,324,962	469,732	1,204,954
Accruals and deferred income	1,422,250	828,650	1,311,794	746,955
	<u>2,363,976</u>	<u>2,588,146</u>	<u>4,091,844</u>	<u>4,359,676</u>

## CATLEY LAKEMAN MAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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## 18. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	1,069,117	1,001,070	1,061,700	995,300
Financial assets measured at amortised cost	959,472	878,184	3,099,743	2,923,140
	<u>2,028,589</u>	<u>1,879,254</u>	<u>4,161,443</u>	<u>3,918,440</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(2,107,692)	(2,247,361)	(3,968,752)	(4,097,514)

Financial assets measured at fair value through profit or loss comprise current asset investments.

Financial assets that are measured at amortised cost comprise trade, group and other debtors.

Financial liabilities measured at amortised cost comprise trade, group and other creditors, and accruals.

**Financial instrument risk management***Credit risk*

The Group has implemented policies that require appropriate credit checks on potential customers before sales are made.

*Liquidity risk*

The Group actively maintains a mixture of long-term and short-term finance that is designed to ensure it has sufficient available funds for operations and planned expansions. The Group monitors its levels of working capital to ensure that it can meet its funding requirements as they fall due.

*Price risk*

The Group is exposed to price risk due to normal inflationary increases in the purchase price of the goods and services in purchases in the UK. The Company is also exposed to price risk through the investments made into derivative funds; a 10% increase in the underlying price of investments will result in a gain of £106,912 (2019: £100,107) and a decrease a loss of the same value (2019: £100,107).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**


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**19. Financial assets at fair value through profit or loss**

FRS102 requires a three-level hierarchy disclosure for categorising financial assets and liabilities at fair value and requires enhanced disclosures about fair value measurement. The fair value hierarchy classifies financial assets and liabilities according to the source of inputs ranked according to availability of observable market prices used in measuring fair value as follows:

Level 1	The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
Level 3	Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The level of fair value hierarchy within which the fair value measurement categorised in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The categorisation of the Group's investment within the hierarchy is based upon the pricing transparency of each investment and does not necessarily correspond to the director's perceived risk of the investment. The investments are classified within Level 2 as they have been observed using market prices.

The determination of what constitutes "observable" requires significant judgement by the directors. The directors consider observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple, independent sources that are actively involved in the relevant market.

The following tables analyse within the fair value hierarchy the Group's investments measured at fair value:

	Level 1 £	Level 2 £	Level 3 £	Total £
<b>Group</b>				
<b>As at 30 June 2020</b>				
Financial assets at fair value through profit or loss	-	1,069,117	-	1,069,117

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Financial assets at fair value through profit or loss (continued)**

	Level 1 £	Level 2 £	Level 3 £	Total £
<b>Company</b>				
<b>As at 30 June 2020</b>				
Financial assets at fair value through profit or loss	-	1,061,700	-	1,061,700

There were no transfers between levels during the current year.

Determining the fair value of the Group's investments considers factors specific to the investment. The valuation policies applied by the Group are detailed in note 2.13.

There have been no changes to the fair value for which investments are measured at using Level 2 inputs.

**20. Share capital**

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
600,000 (2019 - 600,000) Ordinary shares shares of £1.00 each	600,000	600,000

**21. Reserves****Share premium account**

Represents the excess of the fair value of shares issued over their nominal value.

**Profit and loss account**

Includes all retained profits and accumulated losses, less amounts distributed to shareholders.

**22. Externally imposed capital requirements**

The Company and its subsidiaries are subject to capital and regulatory resources requirements as a result of their FCA authorisations.

**23. Pension commitments**

The Group operates a defined contributions pension scheme. The pension cost charge represents contributions payable by the Group to employee pensions and amounted to £57,915 (2018: £33,593). Contributions totalling £11,470 (2019: £11,947 debtor) were outstanding at the balance sheet date and are included in other creditors



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**CATLEY LAKEMAN MAY LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
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**24. Commitments under operating leases**

At 30 June 2020 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2020 £</b>	<i>Group 2019 £</i>	<b>Company 2020 £</b>	<i>Company 2019 £</i>
Not later than 1 year	<b>264,145</b>	123,500	<b>264,145</b>	123,500
Later than 1 year and not later than 5 years	<b>264,145</b>	55,490	<b>264,145</b>	55,490
	<b>528,290</b>	178,990	<b>528,290</b>	178,990

**25. Other financial commitments**

The company does not have any contingent liabilities (2019: £Nil).

**26. Related party transactions**

The Company has taken advantage of the exemption available under FRS 102 Section 33.1A from disclosing transactions with entities that are wholly owned within the group.

During the year dividends totalling £600,000 (2018: £480,000) were paid to Directors of the Company.

Key management personnel are those persons having authority and responsibility for planning, controlling and directing the activities of the company. The directors are considered to be the key management personnel of the Company. Details of remuneration paid to the directors is included in note 9.

**27. Controlling party**

The directors do not consider there to be an ultimate controlling party.

## CATLEY LAKEMAN MAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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## 28. Regulatory disclosures

As an investment firm within the scope of CRD IV, the Company must report certain information on its business on a country by country basis, known as Country by Country Reporting ("CBCR"). Article 89 of the Capital Requirements Regulation 2013 ("CRR") imposes the ongoing CBCR reporting obligations on institutions in the United Kingdom within the scope of CRD IV.

The Company has five subsidiaries in the UK.

The information contained in this disclosure is based on the financial statements and reflects data as at 30 June 2020.

	Catley Lakeman May Limited	Atlantic House Fund Management LLP	Dura Capital Limited	Marabel Ltd	Albemarle Street Partners Ltd	Atlantic House Investments Limited
	£	£	£	£	£	£
Nature of activities	Derivative brokerage services	Asset management	Derivative brokerage services	Asset management	Inactive	Inactive
Country of incorporation	England & Wales	England & Wales	England & Wales	England & Wales	England & Wales	England & Wales
Average number of employees	27	-	-	-	-	-
Net revenue (£)	2,327,278	6,662,054	201,195	798,101	-	-
Profit/(loss) before tax (£)	3,046,083	6,096,434	(83,707)	765,113	-	-
Corporation tax (£)	(645,536)	-	-	(120,386)	-	-
Government subsidies received (£)	-	-	-	-	-	-

## IFPRU 9 disclosures

The Company is required to disclose its return on assets, calculated as net profit divided by the total Balance Sheet.

	2020 £	2019 £
Net profit	2,400,468	12,894,717
Net assets	14,695,185	1,421,167
Return on assets (%)	16	11