STONEHAGE
FLEMING

Company No: 01516041

STONEHAGE FLEMING FINANCIAL SERVICES LIMITED

Annual Report and Financial Statements

FOR THE YEAR ENDED
31 March 2020

STONEHAGE FLEMING FINANCIAL SERVICES LIMITED
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stonehagefleming.com

STONEHAGE FLEMING

DIRECTORS

H W Sinclair (resigned with effect 9th December 2019)
E Sofer (resigned with effect 9th December 2019)
P D Weldon
D F Fletcher (resigned with effect 1st October 2019)
R J Botha
A Sternberg (resigned with effect 1st May 2020)
C Merry (appointed with effect 6th April 2020)
A Gardner (appointed with effect 6th April 2020)
S Boadle (appointed 1 May 2020)

COMPANY SECRETARY

J St G Shacklock

REGISTERED OFFICE

15 Suffolk Street
London
SW1Y 4HG

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

REGISTERED NUMBER

01516041

STONEHAGE FLEMING

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

The Directors present their strategic report of Stonehage Fleming Financial Services Limited (the "Company") for the year ended 31 March 2020.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The Company continues to provide advisory services to its clients. The Strategic Report, the Directors' Report and the financial statements of the Company include a review of the Company's principal business risks and uncertainties, business development and performance.

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of business risks. The Company's risk management policies seek to minimise potential adverse effects on financial performance.

Currency risk
Substantially all of the Company's revenue, expenses, assets and liabilities are denominated in Sterling. The Company ensures that the exposure to net assets held in foreign currency is monitored and managed. Any excess foreign currency balances would be exchanged for Sterling with entities in the Group.

Market risk
The majority of the Company's revenue arises from time based charges for advisory services provided to its clients. Such income is not affected by market movements.

Interest rate risk
The Company's cash balances are exposed to interest rate risk arising from changes in interest rates. Management do not currently operate any hedging policies in respect of this risk. In Management's opinion there are no other interest bearing assets or liabilities.

Credit risk
The Company is exposed to credit risk being the risk that receivables and cash are not collected. It is the Company's policy to hold cash with a small number of high quality institutions. Receivables are discussed and monitored with client relationship managers on a regular basis. Management believe that the Company's procedures adequately mitigate this risk.

Brexit risk
Following the UK's exit from the European Union (EU) on 31 January 2020 the country has now entered into an 11 month transition period. Stonehage Fleming group established a Brexit committee to consider the regulated activities in the UK, the servicing of existing European clients, business development and winning new European clients and our employee base in the UK. There is no significant risk associated with EU nationals working within UK businesses. The majority of these individuals have been based in the UK for more than five years giving them the ability to apply for indefinite leave to remain, settled status or British Citizenship (after 6 years). The committee continues to monitor developments in the negotiation and settlement of new trade agreements and will recommend actions to mitigate any material risks that appear likely to crystallise as the Brexit negotiations progress.

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Market risk from Coronavirus

The impact of the Coronavirus on financial markets and Merger & Acquisition activity is uncertain. At the time of writing coronavirus risks are being priced into several asset classes and this in turn is increasing fear of a recession in the global economy. The Company has software in place which has enabled staff to work effectively from home with secure access to all required applications. Consequently the Company's ability to operate and service clients has not been adversely affected. The Company continues to actively monitor the situation and reviews performance on a monthly basis and produces weekly cash flow forecasts as part of a consolidated forecast for the Group.

Approved by the Board of Directors on 22 July 2020 and signed on behalf of the Board by

R J Botha
Director
22 July 2020

Stonehage Fleming Financial Services Limited
Registered Number 01516041

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The Directors present their report and the audited financial statements of the Company for the year ended 31 March 2020.

INCORPORATION

The Company was incorporated in England and Wales on 5 September 1980 as a private company limited by shares and is domiciled in the United Kingdom.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the provision of advisory services. The Company intends to continue to operate with this principal activity during the next financial year. The Company is regulated in the United Kingdom by the Financial Conduct Authority ("FCA").

RESULTS AND DIVIDENDS

In the year under review the Company recorded an operating profit of £61,586 (2019: operating profit of £31,512) on revenue of £3,772,853 (2019: £3,057,286). At 31 March 2020, the Company had net assets of £894,523 (2019: £809,594). The profit after taxation was £84,929 (2019: profit of £175,021). The return on assets, being the profit after tax divided by the net assets, was 9% (2019: 22%).

The Directors do not recommend the payment of a dividend for the year ended 31 March 2020 (2019: £nil).

DIRECTORS

The Directors of the Company who were in office during the year and up to the date of signing the financial statements are listed on page 1.

EMPLOYEES

The company has no direct employees (2019: none) but is charged by Stonehage Fleming Services Limited for the cost of staff carrying out work on its behalf.

GOING CONCERN

The Directors have made enquiries and having considered the current economic climate at the time of approving the financial statements, as well as the expected working capital requirements that the Company will have for the coming year, they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The COVID-19 outbreak has developed rapidly in 2020 and has caused disruption to businesses, economic activities and impacted the global market. Since the balance sheet date, the Company has not suffered any material client outflows or had reason to make material changes to its expected cashflow projections. Given the dynamic nature of COVID-19 spread and its inherent uncertainties, it is not practical to provide a reasonable quantitative estimate on any future impact. The length and severity of the impact remains unclear but the Directors would not expect these to adversely change the underlying 12- 18 month prospects of the business. The Company will continue to monitor COVID-19 and its impacts on the Company's financial projections.

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STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for 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.

DIRECTORS' CONFIRMATIONS

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board of Directors on 22 July 2020 and signed by its order by:

R J Botha
Director
22 July 2020

Stonehage Fleming Financial Services Limited
Registered Number 01516041

Independent auditors' report to the members of Stonehage Fleming Financial Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, Stonehage Fleming Financial Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 March 2020; the statement of comprehensive income, the cash flow statement, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which 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 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement Directors' Responsibilities in respect of the financial statements set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Jennifer March (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
22 July 2020

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Revenue		3,772,853	3,057,286
Administrative expenses		(3,711,267)	(3,025,774)
Operating profit	*2*	**61,586**	**31,512**
Interest receivable and other similar income		1,753	3,705
Credit impairment losses on financial assets	*8*	57,422	139,804
Profit on ordinary activities before taxation		**120,761**	**175,021**
Tax on profit on ordinary activities	*5*	(35,832)	-
Profit for the financial year after taxation		**84,929**	**175,021**
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to equity		**84,929**	**175,021**

The above results are all attributable to continuing operations.

The notes to the financial statements on pages 12 to 23 form an integral part of these financial statements.

STONEHAGE FLEMING

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Current assets			
Trade and other receivables	*6*	1,628,707	1,720,795
Cash and cash equivalents		175,690	193,924
		1,804,397	1,914,719
Total assets		**1,804,397**	**1,914,719**
Current liabilities			
Trade and other payables	*7*	(909,874)	(1,105,125)
Net assets		**894,523**	**809,594**
Equity			
Called up share capital	*10*	1,345,000	1,345,000
Accumulated losses		(450,477)	(535,406)
Total equity		**894,523**	**809,594**

The notes on pages 12 to 23 form part of these financial statements.

The financial statements on pages 8 to 23 were approved by the board of Directors on 22 July 2020 and were signed on its behalf by:

R J Botha
Director
22 July 2020

Stonehage Fleming Financial Services Limited
Registered Number 01516041

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Called up share capital £	Accumulated losses £	Total equity £
Total equity at the start of the year 1 April 2018	**1,345,000**	**(710,427)**	**634,573**
Total comprehensive income for the year ended 31 March 2019	-	175,021	175,021
Total equity at the end of the year 31 March 2019	**1,345,000**	**(535,406)**	**809,594**
Total comprehensive income for the year ended 31 March 2020	-	84,929	84,929
Total equity at the end of the year 31 March 2020	**1,345,000**	**(450,477)**	**894,523**

The notes to the financial statements on pages 12 to 23 form an integral part of these financial statements.

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
Operating activities		
Profit on ordinary activities before taxation	120,761	175,021
Adjustments for:		
Interest receivable	(1,753)	(3,705)
	119,008	171,316
Changes in working capital		
Decrease/(increase) in trade and other receivables	92,088	(63,358)
Decrease in trade and other payables	(195,251)	(5,472)
Income tax paid	(35,832)	-
Interest received	1,753	3,705
Net cash flow (used in)/generated from operating activities	**(18,234)**	**106,191**
Net (decrease)/increase in cash and cash equivalents	**(18,234)**	**106,191**
Cash and cash equivalents at 1 April	193,924	87,733
Cash and cash equivalents at 31 March	**175,690**	**193,924**

The notes to the financial statements on pages 12 to 23 form an integral part of these financial statements.

STONEHAGE FLEMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Principal accounting policies

a) Basis of preparation

- Compliance with IFRS

The financial statements of Stonehage Fleming Financial Services Limited (the "Company") have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2006. The financial statements have been prepared for the year ended 31 March 2020 with prior year comparatives.

The functional and presentation currency of the Company is Great British Pounds (£). Figures have been rounded to the nearest £ unless otherwise stated.

All accounting policies have been consistently applied.

- Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following items:

- certain financial assets and liabilities (including derivative instruments) measured at fair value

- New standards adopted by the Company

The Company applied IFRS 16 "Leases" for the first time for the annual reporting period commencing 1 April 2019.

The Company does not hold any operating leases and therefore the adoption of this standard will not impact the Company's Statement of Financial Position or Statement of Comprehensive Income.

b) Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report and Annual Report and Financial Statements of the Company.

The Directors have made enquiries and having considered the current economic climate at the time of approving the financial statements, as well as the expected working capital requirements that the Company will have for the coming year, they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The COVID-19 outbreak has developed rapidly in 2020 and has caused disruption to businesses, economic activities and impacted the global market. Since the balance sheet date, the Company has not suffered any material client outflows or had reason to make material changes to its expected cashflow projections. The Directors have considered the impact of COVID-19 on the Company's balances at 31 March 2020 and believe that they are appropriately determined and do not require impairment. Given the dynamic nature of COVID-19 spread and its inherent uncertainties, it is not practical to provide a reasonable quantitative estimate on any future impact. The length and severity of the impact remains unclear but the Directors would not expect these to adversely change the underlying 12-18 month prospects of the business. The Company will continue to monitor COVID-19 and its impacts on the Company's financial projections.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

c) **Revenue**

Revenue represents the income receivable for the provision of advisory services during the period. Advisory services are recognised on an accruals basis as the Company becomes contractually entitled to such income.

d) **Accrued income and work in progress**

Accrued income and work in progress ("WIP") represents the billable provision of services to clients which has not been invoiced at the reporting date. Accrued income and WIP is recorded based on agreed fees billed in arrears and time based charges at the charge out rates in force at the time, less any provision for anticipated write offs.

e) **Deferred revenue**

Fees in advance and up-front fees in respect of services due under contract are time apportioned to the respective accounting periods, and those billed but not yet earned are included in deferred revenue in the Statement of Financial Position.

f) **Foreign currencies**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

g) **Trade and other receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value. The Company holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost. Details about the Company's impairment policies and the calculation of the loss allowance are provided in note 8.

Trade and other receivables with maturities greater than twelve months after the Statement of Financial Position date are classified as non-current assets. They are held at amortised cost using the effective interest method.

h) **Trade and other payables**

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers, prior to the end of the financial year which are unpaid. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer) and are recognized at amortised cost. If not, they are presented as non-current liabilities. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

i) **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Any bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position. No bank overdrafts were held at 31 March 2020 (2019: nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (CONTINUED)

j) **Other financial assets**

From 1 April 2019, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL), and
- those to be measured at amortised cost.

Investments in equity instruments are measured at fair value and all movements in fair value are recognised through the profit and loss.

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows,
- and the contractual terms give rise to cash flows that are solely payments of principal and interest.

The amortised cost of a financial asset or financial liability is defined as the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

If a financial asset is held with the objective of both holding to collect contractual cash flows and selling the asset and the terms of the asset gives rise to cash flows that are solely payments of principal and interest the asset will be measured at fair value through other comprehensive income. The Company does not hold any assets within this category.

Assets which do not meet either of these business models are held at fair value through the profit and loss.

Regular purchases and sales of financial assets are recognised on trade date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

k) **Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be readily estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations is small.

Provisions for bad debts are raised according to the ageing profile of debtor balances, with additional provisions being raised for specific cases.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (CONTINUED)

l) **Critical accounting estimates and judgements**

The preparation of financial statements requires the use of accounting estimates. Management exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. There have been no actual adjustments this year as a result of an error or change in previous estimates.

The estimates and assumptions that could have a significant effect upon the Company's financial results relate to the provision for WIP write offs and the provision for doubtful debts as set out on Note 8. The Directors set appropriate assumptions in forming these judgements and exercise appropriate caution when doing so.

m) **New standards, amendments and interpretations effective after 31 March 2020**

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2020 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (CONTINUED)

2. Operating profit

Salary costs are not borne directly by the Company but are charged to the Company by Stonehage Fleming Services Limited. Stonehage Fleming Services Limited charges the Company for staff costs and central services. Total charges for the year amounted to £3,491,312 (2019: £2,802,068), including auditors' remuneration as follows:

	2020 £	2019 £
Auditors' remuneration		
Audit services - statutory audit	12,214	11,569
	12,214	**11,569**

3. Directors' emoluments

Stonehage Fleming Services Limited pays salaries to and makes pension contributions on behalf of Directors of the Company. No Directors' fees for services of Directors of the Company are paid by this Company (2019: none).

	2020 £	2019 £
Aggregate emoluments	782,206	953,512
Company contributions to defined contribution pension scheme	43,696	50,936
The aggregate compensation for loss of office	8,690	-
	834,592	**1,004,448**

Highest paid director

	2020 £	2019 £
Aggregate emoluments	218,529	234,178
Company contributions to defined contribution pension scheme	13,680	12,822
	232,209	**247,000**

Aggregate remuneration includes cash allowances in lieu of pension contributions. Retirement benefits are provided to 4 Directors (2019: 4) under a defined contribution pension scheme.

4. Employees

The Company has no employees (2019: none).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (CONTINUED)

5. Tax on profit on ordinary activities

	2020 £	2019 £
Total tax		
UK Corporation tax on profit for the year	22,945	-
UK Corporation tax charge in respect of prior year profits	12,887	-
Total tax charge for the year	35,832	-

The tax assessed for the year is the same (2019: the same) as the standard rate of Corporation tax in the UK 19% (2019: 19%).

Factors affecting current and future tax charges

	2020 £	2019 £
Profit on ordinary activities before taxation	120,761	175,021
Profit on ordinary activities before taxation multiplied by standard rate of Corporation tax in the UK 19% (2018: 19%)	22,945	33,254
Effects of:		
Brought forward losses claimed	-	(20,367)
Surrender of group relief	12,887	(12,887)
Total tax charge for the year	**35,832**	-

6. Trade and other receivables

	2020 £	2019 £
Trade debtors	1,416,431	1,397,322
Amounts owed by group undertakings	24,482	138,004
Prepayments, accrued income and work in progress	187,794	185,469
	1,628,707	**1,720,795**

Amounts owed by group undertakings, being inter-company loans, are unsecured, interest free and have no fixed dates of repayment. Trade debtors are stated net of a provision for doubtful debts.

7. Trade and other payables

	2020 £	2019 £
Amounts owed to group undertakings	777,461	1,045,687
Other taxation and social security	68,580	52,716
Other creditors	-	137
Accruals and deferred income	63,834	6,585
	909,875	**1,105,125**

Amounts owed to group undertakings, being inter-company loans, are unsecured, interest free and have no fixed dates of repayment.

8. Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables and cash that derive directly from its operations.

Market risk
Market risk is the risk that the fair value of future cash flows will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk.

Interest rate risk
The Company's cash balances are exposed to interest rate risk arising from changes in interest rates. Management do not currently operate any hedging policies in respect of this risk. In Management's opinion there are no other interest bearing assets or liabilities.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any significant exposure to foreign currencies. The Company reviews its foreign exchange exposures and ensures that these are managed as appropriate.

As at 31 March 2020	**GBP** **£**	**USD** **£**	**EUR** **£**	**CHF** **£**	**RND** **£**	**Total** **£**
Net assets	898,434	25	(3,647)	81	(370)	894,523
Sensitivity analysis						
Assuming a +/-10% movement in exchange rates against sterling:	-	3	(365)	8	(37)	391

As at 31 March 2019	**GBP** **£**	**USD** **£**	**EUR** **£**	**CHF** **£**	**RND** **£**	**Total** **£**
Net assets	655,029	(23,998)	178,060	503	-	809,594
Sensitivity analysis						
Assuming a +/-10% movement in exchange rates against sterling:	-	(2,400)	17,806	50	-	15,456

8. Financial risk management (continued)

Price risk
The majority of the Company's income arises from time based charges for advisory services provided to its clients. Such income is not affected by market movements.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade and other receivables) and deposits with banks. The Company monitors its credit exposures and ensures that these are managed as appropriate.

Cash balances within the Company are held with banks with a minimum credit rating of 'A'.

Impairment of financial assets
The Company has two types of financial assets that are subject to a provision for credit losses:

- Trade receivables for sales
- Accrued income/ WIP

Trade receivables and work in progress are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 365 days past due. The Company considers this methodology to be materially consistent with a loss allowance calculated using the simplified expected loss model under IFRS 9 which uses a lifetime expected loss allowance.

The Company considers that forward looking information such as macroeconomic factors will have an immaterial impact on the expected credit losses of the Company. Impairment losses on trade receivables and contract assets are presented as net impairment losses within profit on ordinary activities before taxation. Subsequent recoveries of amounts previously written off are credited against the same line item.

Work in progress represents the net unbilled amount expected to be collected from clients for work performed to date. It is measured at the chargeable rate agreed with the individual clients, less progress billed, less a provision of 0-10% for time that is expected to be written off. The provision is based upon the historical level of write offs and is specific to each entity within the Group.

The ageing analysis of gross trade debtors excluding provision is as follows:

	Total £	< 3 months £	3-6 months £	6-9 months £	>9 months £	>12 months £
31 March 2020	1,445,800	955,451	305,762	138,693	16,525	29,369
31 March 2019	1,618,714	873,501	330,687	135,665	57,470	221,391
Expected loss rate*		-	-	-	-	100%

*Except for debtors which are covered by insurance

8. Financial risk management (continued)

	2020 £	2019 £
Gross trade debtors	1,445,800	1,618,713
Loss allowance	(29,369)	(221,391)
Net trade debtors	**1,416,431**	**1,397,322**

Movements in the provision for impairment of trade receivables that are assessed for impairment collectively are as follows:

	2020 £	2019 £
At 1 April	**221,391**	**361,195**
Provision for impairment recognised during the year	71,267	122,397
Receivables written off during the year as uncollectible	(134,600)*	(175,000)
Provision released	(128,689)	(87,201)
At 31 March	**29,369**	**221,391**

The total impact on the statement of comprehensive income of £57,422 (2019: £139,804) is the sum of the receivables collected in cash throughout the year that were previously provided for £128,689 (2019: 87,201) plus any write offs for revenue not previously provided for of £0 (2019: £175,000) less the charge for debt provisions recognised in the year of £71,267 (2019: £122,397).

*£134,600 of write offs relate to revenue that was previously provided for in the prior year.

Liquidity risk

Liquidity risk includes the risk that, as a result of liquidity requirements in the future, the Company will be forced to sell financial assets at a potentially unfavorable value or may be unable to exit these positions at all, or the Company will have insufficient funds to settle a transaction on the due date. Management believe this risk is mitigated through proper cash flow management and the existence of sufficient liquid reserves.

The Company does not hold any long term assets or liabilities which are receivable/due more than 12 months from the end of the financial year as such a table showing the receipt/payment profile for future years is not presented.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (CONTINUED)

9. Contingencies

The Company can from time to time be party to legal and other claims in the ordinary course of its business. The Directors assess all claims carefully and make provision and/or disclosures as appropriate. In the Board's opinion no provisions or disclosures are necessary in these financial statements (2019: none).

10. Called up share capital

	2020 £	2019 £
Authorised		
1,344,950 ordinary shares of £1 each (2019: 1,344,950)	1,344,950	1,344,950
50 deferred shares of £1 each (2019: 50)	50	50
	1,345,000	**1,345,000**
Allotted and fully paid		
1,344,950 ordinary shares of £1 each (2019: 1,344,950)	1,344,950	1,344,950
50 deferred shares of £1 each (2019: 50)	50	50
	1,345,000	**1,345,000**

The deferred shares are non-equity shares and carry neither rights to redemption at any time nor any rights to a distribution in the event of a winding up nor to attend or vote at any Annual General Meeting of the Company. The deferred shares do have the right to a fixed non-cumulative dividend of 5% per annum out of profits distributed in excess of £100,000. The Directors consider that the deferred shares do not meet the definition of a financial liability because of their non-redeemable nature and the restriction before dividends are payable.

11. Capital structure

The Company's objectives when managing capital remain unchanged and are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for
- shareholders and benefits for other stakeholders;
- maintain an optimal capital structure and;
- ensure compliance with applicable capital requirements and regulations.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce liabilities. The Company considers its capital to be its total equity as shown on the Statement of Financial Position.

12. Related party transactions

The table below sets out the amounts payable, amounts receivable and balance due to or payable by the Group in respect of all related party transactions.

		Income from related parties £	Expenses to related parties £	Amounts owed by related parties * £	Provisions and amounts owed to related parties * £
Parent Company	2020	-	-	-	-
	2019	-	-	-	-
Entities with significant influence over the entity **	2020	82,144	111,749	-	91,442
	2019	83,218	86,035	-	62,050
Fellow subsidiaries	2020	218,687	3,690,913	24,482	686,019
	2019	166,916	3,011,653	138,004	983,637
Key management personnel of the Company or its Parent	2020	22,899	-	6,833	-
	2019	2,012	-	360	-

* These amounts are classified as trade receivables and trade payables, respectively (see Notes 6 and 7).
** Entities with significant influence over the Company are considered to be entities that control Sturdon Holdings Limited either directly or indirectly.

		Interest received £	Amounts owed by related parties £
Key management personnel loans	2020	-	100,000
	2019	-	358,229

Key management personnel loans

Amounts owed relate to loans given to directors of this Company.

Amounts owed at 31 March 2020 are loans issued by Stonehage Fleming Family and Partners Limited for the purchase of class A1 ordinary shares (Growth shares). These loans are subject to interest at 1.75% per annum. Amounts owed at 31 March 2019 were loans issued by entities which are direct or indirect shareholders in the Group and were primarily loans to acquire interests in these companies. These loans were repaid to their respective entities during the year to 31 March 2020.

Neither the amounts owed nor the income received are reflected in the Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (CONTINUED)

13. Ultimate parent undertaking

The immediate parent undertaking and controlling party of the Company is Sturdon Holdings Limited, a company incorporated in Jersey (registered number 73719).

The smallest and largest group of undertakings for which group financial statements are drawn up and of which the Company is a member is Stonehage Fleming Family & Partners Limited.

Stonehage Fleming Family and Partners Limited does not have a single immediate parent company or ultimate controlling party. It is owned primarily by the following entities, Stonehage Fleming Global Limited as trustee of Stonehage Fleming Incentive Trust, SIH Limited, Caledonia Investments plc and Spes Bona Limited, none of whom have an individual ownership interest greater than 40%. In addition to these entities the Group is owned by a number of smaller shareholders whose aggregate shareholding is less than 11%.

14. Events after the reporting year

No events occurred after the reporting year that required adjustment or disclosure in the financial statements.