

Company Registration No. 02146049 (England and Wales)

THE 140 INVESTMENT MANAGERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

THE 140 INVESTMENT MANAGERS LIMITED

COMPANY INFORMATION

Director	K E Andrews
Secretary	J Lawrence
Company number	02146049
Registered office	17 Grosvenor Gardens LONDON SW1W 0BD
Auditors	Harwood Hutton Limited 22 Wycombe End Beaconsfield Buckinghamshire HP9 1NB

THE 140 INVESTMENT MANAGERS LIMITED

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THE 140 INVESTMENT MANAGERS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The director presents the strategic report and financial statements for the year ended 31 March 2017.

Fair review of the business

The director considers meeting of the FCA requirements for financial resources and capital adequacy as the main performance indicators since it is not a company striving to maximise profits. The key regulatory capital test of the company remains the fixed overhead requirement, as set out in IPRU(INV) 11.3.3AEU, for which the company continues to have more than double the financial resources required. The director considers that the company's policy of gradual retention of profit, to ensure that it will be able to meet any reasonable increases in the regulators requirements, has now been adequately met and that year end profits will be reviewed with the potential of rebating surplus profits back into the Broadway OEIC. In the year to 31st March 2017 £90,000 was rebated back to the Broadway Income Fund. The director regards the result for the year and the financial position of the company as satisfactory.

Principal risks and uncertainties

The principal risk to the company is that it is exposed to stock market risk as its management fee income is calculated as a percentage of assets under management.

Objectives and policies - The company has various financial assets and liabilities such as bank balances, trade debtors and trade creditors arising directly from its operations. The company does not hold any derivative instruments.

Liquidity risk- The company manages its cash requirements to maximise interest income and minimise interest expense, whilst ensuring that the company has sufficient liquid resources to meet the operating needs of its business.

Price risk - The company is exposed to risk arising from variations in management fee income which is calculated as a percentage of assets under management.

Credit risk - Investments of cash surpluses are made through banks with sufficiently high credit ratings.

On behalf of the board

K E Andrews

Director

Date: 21 July 2017

THE 140 INVESTMENT MANAGERS LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The director presents her annual report and financial statements for the year ended 31 March 2017.

Principal activities

The principal activity of the company continued to be acting as the authorised corporate director of Broadway Investment Company ICVC. It is anticipated that this activity will continue unchanged for the foreseeable future. The company is regulated by the Financial Conduct Authority.

Director

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

K E Andrews

N W Berry

(Deceased 25 December 2016)

Results and dividends

The results for the year are set out on page 6.

The director does not recommend payment of an ordinary dividend.

Auditor

The auditor, Harwood Hutton Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

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

The director is 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. She is 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 140 INVESTMENT MANAGERS LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Statement of disclosure to auditor

So far as I am aware at the date of approving this report, there is no relevant audit information of which the company's auditor is unaware. Additionally, I have taken all the necessary steps that I ought to have taken as director in order to make myself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

K E Andrews

Director

21 July 2017

THE 140 INVESTMENT MANAGERS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE 140 INVESTMENT MANAGERS LIMITED

We have audited the financial statements of The 140 Investment Managers Limited for the year ended 31 March 2017 set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditor

As explained more fully in the Director's Responsibilities Statement set out on pages 2 - 3, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

THE 140 INVESTMENT MANAGERS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE 140 INVESTMENT MANAGERS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Director's 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Keir Singleton (Senior Statutory Auditor)
for and on behalf of Harwood Hutton Limited

25 July 2017

Chartered Accountants
Statutory Auditor

22 Wycombe End
Beaconsfield
Buckinghamshire
HP9 1NB

THE 140 INVESTMENT MANAGERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

		2017	2016
	Notes	£	£
Turnover	3	1,905,659	1,863,767
Administrative expenses		(1,856,492)	(1,787,261)
Operating profit	4	49,167	76,506
Interest receivable and similar income	7	3,252	4,917
Profit before taxation		52,419	81,423
Taxation	8	(10,484)	(16,285)
Profit for the financial year		41,935	65,138
Total comprehensive income for the year		41,935	65,138

The accompanying accounting policies and notes form part of these financial statements.

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

THE 140 INVESTMENT MANAGERS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	£	£
Profit for the year	41,935	65,138
Other comprehensive income	-	-
Total comprehensive income for the year	<u>41,935</u>	<u>65,138</u>

THE 140 INVESTMENT MANAGERS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Current assets					
Debtors	9	450,428		5,685	
Cash at bank and in hand		687,207		1,042,627	
		<u>1,137,635</u>		<u>1,048,312</u>	
Creditors: amounts falling due within one year	10	<u>(101,417)</u>		<u>(54,029)</u>	
Net current assets			<u>1,036,218</u>		<u>994,283</u>
Capital and reserves					
Called up share capital	12	120,000		120,000	
Share premium account		100,000		100,000	
Profit and loss reserves		<u>816,218</u>		<u>774,283</u>	
Total equity			<u>1,036,218</u>		<u>994,283</u>

The accompanying accounting policies and notes form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 21 July 2017 and are signed on its behalf by:

K E Andrews
Director

Company Registration No. 02146049

THE 140 INVESTMENT MANAGERS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 April 2015	120,000	100,000	709,145	929,145
Year ended 31 March 2016:				
Profit and total comprehensive income for the year	-	-	65,138	65,138
Balance at 31 March 2016	120,000	100,000	774,283	994,283
Year ended 31 March 2017:				
Profit and total comprehensive income for the year	-	-	41,935	41,935
Balance at 31 March 2017	120,000	100,000	816,218	1,036,218

THE 140 INVESTMENT MANAGERS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	15		(342,394)		71,459
Income taxes paid			(16,278)		(20,019)
Net cash (outflow)/inflow from operating activities			<u>(358,672)</u>		<u>51,440</u>
Investing activities					
Interest received		3,252		4,917	
Net cash generated from investing activities			<u>3,252</u>		<u>4,917</u>
Net cash used in financing activities			<u>-</u>		<u>-</u>
Net (decrease)/increase in cash and cash equivalents			(355,420)		56,357
Cash and cash equivalents at beginning of year			<u>1,042,627</u>		<u>986,270</u>
Cash and cash equivalents at end of year			<u><u>687,207</u></u>		<u><u>1,042,627</u></u>

THE 140 INVESTMENT MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

The 140 Investment Managers Limited is a private company limited by shares incorporated in England and Wales. The registered office is 17 Grosvenor Gardens, LONDON, SW1W 0BD.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business.

Revenue for the provision of professional services is recognised in the period in which the services are provided.

1.4 Financial instruments

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances are measured at transaction price less any provision for impairment. Loans receivable are measured initially at fair value, net of transaction costs and are subsequently carried at amortised costs using the effective interest method, less any provision for impairment.

Basic financial liabilities

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans and other loans, are measured initially at fair value, net of transaction costs and are subsequently carried at amortised costs using the effective interest method.

1.5 Taxation

The tax expense represents the sum of the tax currently payable.

THE 140 INVESTMENT MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Current tax

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

1.6 Employee benefits

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

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

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

1.7 Retirement benefits

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further obligation payments. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

The company is a participating employer in a funded defined benefit pension scheme covering people employed prior to 2002. The scheme is a multi-employer scheme, and the company is unable to identify its share of the underlying assets and liabilities of the scheme. Contributions to the scheme have therefore, as permitted, been accounted for as if the scheme was a defined contribution scheme.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

Critical judgements

The following judgements have had the most significant effect on amounts recognised in the financial statements.

Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme with other companies. In the judgement of the directors, the company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme.

THE 140 INVESTMENT MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

3 Turnover and other revenue

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

	2017 £	2016 £
Turnover		
Provision of services	1,905,659	1,863,767
	<u> </u>	<u> </u>
Other significant revenue		
Interest income	3,252	4,917
	<u> </u>	<u> </u>

4 Operating profit

	2017 £	2016 £
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	6,858	6,744
	<u> </u>	<u> </u>

5 Employees

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

	2017 Number	2016 Number
Administration and support	7	8
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	711,188	681,008
Social security costs	93,910	87,690
Pension costs	280,533	272,927
	<u> </u>	<u> </u>
	1,085,631	1,041,625
	<u> </u>	<u> </u>

6 Director's remuneration

	2017 £	2016 £
Remuneration for qualifying services	199,559	168,453
	<u> </u>	<u> </u>

THE 140 INVESTMENT MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 Director's remuneration

(Continued)

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 1 (2016 - 1).

7 Interest receivable and similar income

	2017 £	2016 £
Interest income		
Interest on bank deposits	3,252	4,910
Other interest income	-	7
	<u>3,252</u>	<u>4,917</u>
Total income	<u>3,252</u>	<u>4,917</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	3,252	4,910
	<u>3,252</u>	<u>4,910</u>

8 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	10,484	16,285
	<u>10,484</u>	<u>16,285</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	52,419	81,423
	<u>52,419</u>	<u>81,423</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	10,484	16,285
	<u>10,484</u>	<u>16,285</u>
Taxation charge in the financial statements	<u>10,484</u>	<u>16,285</u>

THE 140 INVESTMENT MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Other debtors	7,061	5,400
Prepayments and accrued income	443,367	285
	<u>450,428</u>	<u>5,685</u>

Carrying amounts of financial assets include other debtors measured at amortised cost of £7,061 (2016 - £5,400).

10 Creditors: amounts falling due within one year

	2017	2016
	£	£
Corporation tax	10,484	16,278
Other taxation and social security	39,557	29,473
Other creditors	-	1,702
Accruals and deferred income	51,376	6,576
	<u>101,417</u>	<u>54,029</u>

Carrying amounts of financial liabilities include other creditors and accruals measured at amortised cost of £51,376 (2016: £8,278).

THE 140 INVESTMENT MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

11 Retirement benefit schemes

	2017	2016
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	20,851	17,680

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

There were no contributions payable to the scheme at the end of the current or previous year.

Defined benefit schemes

The company participates in a multi-employer defined benefit pension scheme and the company is unable to identify its share of the underlying assets and liabilities of the scheme. Contributions have therefore, as permitted by FRS17, been accounted for as if the scheme were a defined contribution scheme.

The pension cost is assessed in accordance with the advice of an independent qualified actuary using the attained age method. The latest actuarial valuation of the scheme was carried out on 5 April 2016. The market value of the scheme's assets at that date was £3,780,000 representing a funding level of 79%.

The main assumptions are as follows:

Investment return - 3.7% per annum

Earnings increases - 5.0% per annum, plus an allowance for age and promotional increases

Pension increases - 3.0% per annum for pensions in payment

Assets - Assumed invested 70% in equities with these achieving 2.5% p.a. greater yield than the remaining 30% invested in fixed interest investments

On the advice of the actuary pension contributions of £259,682 (2016 - £255,247) were paid during the year. There were no contributions outstanding at the current or previous year end.

12 Share capital

	2017	2016
	£	£
Ordinary share capital		
Allotted, called up and fully paid		
120,000 Ordinary shares of £1 each	120,000	120,000

There is a single class of ordinary shares, There are no restrictions on the distribution of dividends and the repayment of capital.

13 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017	2016
	£	£
Aggregate compensation	199,559	168,453

THE 140 INVESTMENT MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

13 Related party transactions (Continued)

Transactions with related parties

No guarantees have been given or received.

14 Controlling party

The company is controlled by the director. The company's shares are held by The 140 Trustee Company Limited in trust for members of the families of the descendants of the first Lord Camrose. That company is therefore regarded as the ultimate controlling party.

15 Cash generated from operations

	2017 £	2016 £
Profit for the year after tax	41,935	65,138
Adjustments for:		
Taxation charged	10,484	16,285
Investment income	(3,252)	(4,917)
Movements in working capital:		
(Increase) in debtors	(444,743)	(1,152)
Increase/(decrease) in creditors	53,182	(3,895)
Cash (absorbed by)/generated from operations	<u>(342,394)</u>	<u>71,459</u>

THE 140 INVESTMENT MANAGERS LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2017

(the following pages do not form part of the statutory accounts)

THE 140 INVESTMENT MANAGERS LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	£	£
Administrative expenses		
Wages and salaries	511,629	513,299
Social security costs	93,910	87,690
Staff pension costs defined contribution	280,533	272,927
Directors' remuneration	199,559	167,709
Management charge	743,563	726,090
Professional subscriptions	-	(1,550)
Legal and professional fees	7,624	2,790
Audit fees	8,230	6,744
Insurances	11,333	11,448
Sundry expenses	111	114
	<hr/>	<hr/>
	1,856,492	1,787,261
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