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Company Registration No. 02146049 (England and Wales)

**THE 140 INVESTMENT MANAGERS LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2015**

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COMPANIES HOUSE

# THE 140 INVESTMENT MANAGERS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	K E Andrews N W Berry
<b>Secretary</b>	J Lawrence
<b>Company number</b>	02146049
<b>Registered office</b>	17 Grosvenor Gardens LONDON SW1W 0BD
<b>Auditors</b>	Harwood Hutton Limited 22 Wycombe End BEACONSFIELD Buckinghamshire HP9 1NB
<b>Bankers</b>	National Westminster Bank Plc City of London Office 1 Princes Street London EC2R 8PA
<b>Solicitors</b>	Maclay Murray & Spens LLP One London Wall London EC2Y 5AB

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# THE 140 INVESTMENT MANAGERS LIMITED

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# THE 140 INVESTMENT MANAGERS LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 MARCH 2015**

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The directors present the strategic report and financial statements for the year ended 31 March 2015.

### Review of the business

The directors consider meeting of the FCA requirements for financial resources and capital adequacy as the Key Performance Indicators of the company since it is not a company striving to maximise profits. For 2015 the company will be able to cover its initial capital requirement in excess of 9 times and will have twice the financial resources required. The company's policy of gradual retention of profit aims to ensure that it will be able to meet any reasonable increases in the regulators requirements. The directors regard the result for the year and the financial position of the company as satisfactory.

The principal risk to the company is that it is exposed to stockmarket 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

24 July 2015.

# THE 140 INVESTMENT MANAGERS LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 MARCH 2015**

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The directors present their report and financial statements for the year ended 31 March 2015.

### Principal activities and review of the business

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.

### Results and dividends

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

The directors do not recommend payment of an ordinary dividend.

### Directors

The following directors have held office since 1 April 2014:

K E Andrews

N W Berry

### Auditors

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

### Statement of directors' responsibilities

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE 140 INVESTMENT MANAGERS LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2015**

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### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



K E Andrews

Director

Date: 24 July 2015

# **THE 140 INVESTMENT MANAGERS LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF THE 140 INVESTMENT MANAGERS LIMITED**

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We have audited the financial statements of The 140 Investment Managers Limited for the year ended 31 March 2015 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

#### **Respective responsibilities of directors and auditors**

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

#### **Scope of the audit of the financial statements**

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

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

# THE 140 INVESTMENT MANAGERS LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF THE 140 INVESTMENT MANAGERS LIMITED

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

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

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

**Mr David Jones (Senior Statutory Auditor)**  
**for and on behalf of Harwood Hutton Limited**

**Chartered Accountants**  
**Statutory Auditor**

24 July 2015  


22 Wycombe End  
BEACONSFIELD  
Buckinghamshire  
HP9 1NB



# THE 140 INVESTMENT MANAGERS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2015

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	Notes	2015 £	2014 £
Turnover	2	1,856,491	1,812,863
Administrative expenses		(1,759,959)	(1,678,594)
Operating profit	3	96,532	134,269
Other interest receivable and similar income	4	5,432	6,137
Profit on ordinary activities before taxation		101,964	140,406
Tax on profit on ordinary activities	5	(20,393)	(28,081)
Profit for the year	10	81,571	112,325

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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.

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

# THE 140 INVESTMENT MANAGERS LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2015

	Notes	2015 £	£	2014 £	£
<b>Current assets</b>					
Debtors	6	4,533		455,742	
Cash at bank and in hand		986,270		621,707	
		<u>990,803</u>		<u>1,077,449</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(61,658)</u>		<u>(229,875)</u>	
<b>Total assets less current liabilities</b>			<u>929,145</u>		<u>847,574</u>
<b>Capital and reserves</b>					
Called up share capital	9		120,000		120,000
Share premium account	10		100,000		100,000
Profit and loss account	10		<u>709,145</u>		<u>627,574</u>
<b>Shareholders' funds</b>	11		<u>929,145</u>		<u>847,574</u>

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

Approved by the Board and authorised for issue on ..... 24 July 2015



K E Andrews  
Director

Company Registration No. 02146049

# THE 140 INVESTMENT MANAGERS LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2015

	£	2015 £	£	2014 £
Net cash inflow from operating activities		387,265		177,995
Returns on investments and servicing of finance				
Interest received	5,432		6,137	
Net cash inflow for returns on investments and servicing of finance		5,432		6,137
Taxation		(28,134)		(29,638)
Net cash inflow before management of liquid resources and financing		364,563		154,494
Increase in cash in the year		364,563		154,494

# THE 140 INVESTMENT MANAGERS LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

<b>1</b>	<b>Reconciliation of operating profit to net cash inflow from operating activities</b>	<b>2015</b>	<b>2014</b>		
		<b>£</b>	<b>£</b>		
	Operating profit	96,532	134,269		
	Decrease/(increase) in debtors	451,209	(14,811)		
	(Decrease)/Increase in creditors within one year	(160,476)	58,537		
	<b>Net cash inflow from operating activities</b>	<b>387,265</b>	<b>177,995</b>		
<b>2</b>	<b>Analysis of net funds</b>	<b>1 April 2014</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 March 2015</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Net cash:				
	Cash at bank and in hand	621,707	364,563	-	986,270
	Bank deposits	-	-	-	-
	<b>Net funds</b>	<b>621,707</b>	<b>364,563</b>	<b>-</b>	<b>986,270</b>
<b>3</b>	<b>Reconciliation of net cash flow to movement in net funds</b>	<b>2015</b>	<b>2014</b>		
		<b>£</b>	<b>£</b>		
	Increase in cash in the year	364,563	154,494		
	<b>Movement in net funds in the year</b>	<b>364,563</b>	<b>154,494</b>		
	Opening net funds	621,707	467,213		
	<b>Closing net funds</b>	<b>986,270</b>	<b>621,707</b>		

# THE 140 INVESTMENT MANAGERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

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

#### 1.3 Revenue recognition

Income is recognised in the period in which the services are provided.

#### 1.4 Pensions

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

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 by FRS17 'Retirement benefits', been accounted for as if the scheme was a defined contribution scheme.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

### 3 Operating profit

2015

2014

£

£

Operating profit is stated after charging:

Fees payable to the company's auditor for the audit of the company's annual accounts

6,852

6,330

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### 4 Investment income

2015

2014

£

£

Bank interest

5,432

6,137

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5,432

6,137

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# THE 140 INVESTMENT MANAGERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

<b>5</b>	<b>Taxation</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	20,393	28,081
	<b>Total current tax</b>	<u>20,393</u>	<u>28,081</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	101,964	140,406
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2014 - 23.00%)	21,412	32,293
	Effects of:		
	Marginal rate relief	(1,019)	(4,212)
		<u>(1,019)</u>	<u>(4,212)</u>
	<b>Current tax charge for the year</b>	<u>20,393</u>	<u>28,081</u>
<b>6</b>	<b>Debtors</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Other debtors	3,510	5,263
	Prepayments and accrued income	1,023	450,479
		<u>4,533</u>	<u>455,742</u>
<b>7</b>	<b>Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Corporation tax	20,012	27,753
	Other taxes and social security costs	27,469	27,991
	Accruals and deferred income	14,177	174,131
		<u>61,658</u>	<u>229,875</u>

# THE 140 INVESTMENT MANAGERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

### 8 Pension and other-post-retirement benefit commitments

#### Defined contribution scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £17,044 (2014 - £17,092).

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

#### Defined benefit scheme

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 2013. The market value of the scheme's assets at that date was £2,940,000 representing a funding level of 71%.

The main assumptions are as follows:

Investment return - 3.9% per annum

Earnings increases - 5.3% per annum, plus an allowance for age and promotional increases

Pension increases - 3.3% 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 £243,200 (2014 - £166,222) were paid during the year. There were no contributions outstanding at the current or previous year end.

9 Share capital	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
120,000 Ordinary shares of £1 each	120,000	120,000

### 10 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 April 2014	100,000	627,574
Profit for the year	-	81,571
Balance at 31 March 2015	100,000	709,145

# THE 140 INVESTMENT MANAGERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

11	Reconciliation of movements in Shareholders' funds	2015 £	2014 £
	Profit for the financial year	81,571	112,325
	Opening Shareholders' funds	847,574	735,249
	Closing Shareholders' funds	929,145	847,574

12	Directors' remuneration	2015 £	2014 £
	Remuneration for qualifying services	182,877	182,797

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 1 (2014 - 1).

### 13 Employees

#### Number of employees

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

	2015 Number	2014 Number
Administration and support	7	7

#### Employment costs

	2015 £	2014 £
Wages and salaries	643,840	638,483
Social security costs	87,267	86,327
Other pension costs	260,244	183,314
	991,351	908,124

### 14 Control

The company is controlled by the directors. 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.



# **THE 140 INVESTMENT MANAGERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2015**

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### **15 Related party relationships and transactions**

During the year the company made the following related party transactions:

The entire share capital of Stamford Investment Trust Limited is held by The 140 Trustee Company Limited in its capacity as trustee. During the year, Stamford Investment Trust Limited provided management services to the company amounting to £468,000 (2014 - £475,000). At the balance sheet date the amount due to Stamford Investment Trust Limited was £nil (2014 - £93,000).

The company acts as authorised corporate director of Broadway Investment Company ICVC. During the year the company charged fees of £1,856,491 (2014 - £1,812,863) for services provided. At the balance sheet date the amount due from Broadway Investment Company ICVC was £nil (2014 - £450,181).