

**Chris Munro Trading Limited (Formerly Known as Beckwith
Asset Management Limited)**

Annual Report and Unaudited Financial Statements

For the Year Ended 30 June 2016

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Chris Munro Trading Limited

Financial Statements

for the year ended 30 June 2016

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Chris Munro Trading Limited

Director's Report

for the year ended 30 June 2016

The director presents his report and the unaudited financial statements of Chris Munro Trading Limited ("the company") for the year ended 30 June 2016.

Directors

The directors who served the company during the year were as follows:

CIC Munro	
JL Beckwith	(Retired 27 June 2016)
SD Roberts	(Retired 30 June 2016)
DF Rogers	(Retired 30 June 2016)

Dividends

Particulars of recommended dividends are detailed in note 6 to the financial statements.

Principal activities

The principal activity of the company during the year was that of an investment holding company

Results for the year

The profit for the year, after taxation, amounted to £1,585,682 (2015: £2,395,899).

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 10 March 2017 and signed on behalf of the board by:



CIC Munro
Director

Registered office:
124 Sloane Street
London
SW1X 9BW

Chris Munro Trading Limited
Statement of Comprehensive Income
for the year ended 30 June 2016

	Note	2016 £	2015 £
Income from shares in group undertakings		6,049,990	1,146,087
Amounts written off/(back) investments	4	<u>(4,464,308)</u>	<u>1,249,812</u>
Profit on ordinary activities before taxation		1,585,682	2,395,899
Tax on profit on ordinary activities	5	<u>—</u>	<u>—</u>
Profit for the financial year and total comprehensive income		<u><u>1,585,682</u></u>	<u><u>2,395,899</u></u>

All the activities of the company are from continuing operations.

The notes on pages 5 to 10 form part of these financial statements.

Chris Munro Trading Limited

Statement of Financial Position

as at 30 June 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	7	511,457	4,464,308
Total assets less current liabilities		<u>511,457</u>	<u>4,464,308</u>
Capital and reserves			
Called up share capital	9	1	1,000
Share premium account	10	99,000	99,000
Profit and loss account	10	412,456	4,364,308
Shareholder funds		<u>511,457</u>	<u>4,464,308</u>

For the year ending 30 June 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The shareholder has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 10 March 2017, and are signed on behalf of the board by:



CIC Munro
Director

Company registration number: 02924548

The notes on pages 5 to 10 form part of these financial statements.

Chris Munro Trading Limited

Statement of Changes in Equity

for the year ended 30 June 2016

		Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 July 2014		1,000	99,000	3,114,496	3,214,496
Profit for the year				2,395,899	2,395,899
Total comprehensive income for the year		–	–	2,395,899	2,395,899
Dividends paid and payable	6	–	–	(1,146,087)	(1,146,087)
Total investments by and distributions to owners		–	–	(1,146,087)	(1,146,087)
At 30 June 2015		1,000	99,000	4,364,308	4,464,308
Profit for the year				1,585,682	1,585,682
Total comprehensive income for the year		–	–	1,585,682	1,585,682
Dividends paid and payable	6	–	–	(5,538,533)	(5,538,533)
Redemption of shares		(999)	–	999	–
Total investments by and distributions to owners		(999)	–	(5,537,534)	(5,538,533)
At 30 June 2016		1	99,000	412,456	511,457

The notes on pages 5 to 10 form part of these financial statements.

Chris Munro Trading Limited

Notes to the Financial Statements

for the year ended 30 June 2016

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

2. General information

Beckwith Asset Management Limited is a company incorporated in England and Wales. The address and registered office is 124 Sloane Street, London, SW1X 9BW. The nature of the company's operations are set out in the Director's Report on page 1.

3. Accounting policies

Basis of preparation

These financial statements have been prepared on the going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The director has reviewed all forecast and budgetary information available and have deemed Beckwith Asset Management Limited to be a going concern.

Transition to FRS 102

These financial statements are the first annual financial statements of the company reported in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The first date at which FRS 102 was applied was 1 July 2014. In accordance with FRS 102 the company has:

- provided comparative information;
- applied the same accounting principles throughout all period presented;
- retrospectively applied FRS 102 as required; and
- applied certain optional exemptions and mandatory exemptions as applicable to first time adoption of FRS 102.

The transition to FRS 102 has resulted in no material changes in accounting policies or material adjustments to comprehensive income and retained earnings or equity of the company as previously reported. The company has taken advantage of the following exemptions available under FRS 102:

- the exemption from preparing a Statement of Cash Flows
- the exemption from disclosing key management personnel compensation

Chris Munro Trading Limited

Notes to the Financial Statements *(continued)*

for the year ended 30 June 2016

3. Accounting policies *(continued)*

Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is possible that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between fair values of assets acquired and the future tax deductions available for them and the differences between fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using rates and laws that have been enacted or substantively enacted by the balance sheet date.

Financial instruments

The company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Listed fixed asset investments and actively traded fund investments are initially recorded at fair value. These investments are subsequently revalued to fair value each year end, with revaluation gains and losses recorded in the Statement of Income and Retained Earnings for the period in which they relate.

Unlisted fixed asset investments are stated at fair value. These investments are subsequently revalued to fair value each year end, with revaluation gains and losses recorded in the Statement of Income and Retained Earnings for the period in which they relate.

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments issued by the group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Chris Munro Trading Limited

Notes to the Financial Statements *(continued)*

for the year ended 30 June 2016

3. Accounting policies *(continued)*

Investments

Investments are stated at cost less any provisions for permanent diminution in value. Realised gains and losses are dealt with through the profit and loss account. A review for impairment is carried out if events or changes in circumstances indicate that the carrying amount may not be recoverable, in which case an impairment provision is recognised and charged to the profit and loss account.

Other income

Other income represents dividends receivable from fixed asset investments, and is recognised when dividends are declared.

4. Amounts written off/(back) investments

	2016 £	2015 £
Impairment of other fixed asset investments	(4,464,308)	–
Reversal of impairment of other fixed asset investments	–	1,249,812
	<u>(4,464,308)</u>	<u>1,249,812</u>

5. Tax on profit on ordinary activities

The tax assessed on the profit on ordinary activities for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016 £	2015 £
Profit on ordinary activities before taxation	1,585,682	2,395,899
Profit on ordinary activities by rate of tax	317,136	479,180
Effect of expenses not deductible for tax purposes	892,862	–
Effect of revenue exempt from tax	(1,209,998)	(503,139)
Effect of different UK tax rates on some earnings	–	23,959
Tax on profit on ordinary activities	<u>–</u>	<u>–</u>

6. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2016 £	2015 £
Ordinary dividends on equity shares	<u>5,538,533</u>	<u>1,146,087</u>

Chris Munro Trading Limited

Notes to the Financial Statements *(continued)*

for the year ended 30 June 2016

7. Investments

	Shares in group undertakings £	Listed investments £	Total £
Cost			
At 1 July 2015	4,464,308	–	4,464,308
Additions	–	511,457	511,457
At 30 June 2016	<u>4,464,308</u>	<u>511,457</u>	<u>4,975,765</u>
Impairment			
Impairment losses	4,464,308	–	4,464,308
At 30 June 2016	<u>4,464,308</u>	<u>–</u>	<u>4,464,308</u>
Carrying amount			
At 30 June 2016	–	511,457	511,457
At 30 June 2015	<u>4,464,308</u>	<u>–</u>	<u>4,464,308</u>

Investments in subsidiary undertakings comprise 100% of the ordinary shares in Beckwith Investment Management Limited, a company incorporated in England and Wales, whose principal activity is that of a holding company.

During the year the company acquired shares in River and Mercantile Group plc, an advisory and asset management business incorporated in England and Wales.

8. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	511,447	–
Financial assets that are equity instruments measured at cost less impairment	<u>–</u>	<u>4,464,308</u>

Financial assets measured at fair value through profit and loss comprise listed investments.

Financial assets measured at cost less impairment comprise investments in subsidiary undertakings.

Chris Munro Trading Limited

Notes to the Financial Statements *(continued)*

for the year ended 30 June 2016

9. Called up share capital

Authorised share capital

	2016		2015	
	No.	£	No.	£
'A' Ordinary shares of £0.01 each	91	1	91,000	910
'B' Ordinary shares of £0.01 each	9	–	9,000	90
Preference shares of £0.01 each	1	–	1	–
	<u>101</u>	<u>1</u>	<u>100,001</u>	<u>1,000</u>

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Amounts presented in equity:				
'A' Ordinary shares of £0.01 each	91	1	91,000	910
'B' Ordinary shares of £0.01 each	9	–	9,000	90
	<u>100</u>	<u>1</u>	<u>100,000</u>	<u>1,000</u>
Amounts presented in liabilities:				
Preference shares of £0.01 each	<u>1</u>	<u>–</u>	<u>1</u>	<u>–</u>

On 28th June 2016, the company reduced the share capital from £1,000 to £1.

The Ordinary A Shares and Ordinary B Shares carry the same rights and privileges and rank *pari passu* in all respects. The holders of Ordinary A Shares and Ordinary B Shares are entitled to receive notice of, attend and vote at any general meeting of the Company.

The Preference Share does not entitle its holder to receive notice of or to exercise any vote at any general meeting of the company or the right to any income or capital from the company.

On a distribution of assets of winding up or other return of capital, the surplus assets of the Company remaining after payment of its liabilities (if any) shall be paid in the following order:

- firstly, by repaying to the holder of the Preference Share the par value of the Preference Share;
- secondly, by distributing to the holders of the Ordinary A Shares, pro rata to the number of Ordinary A Shares held by them, any amount of the A Shareholder Return which at such time is or remains unpaid (if applicable); and
- thereafter, by distributing any remaining assets to the holders of the Ordinary B Shares, pro rata to the number of Ordinary B shares held by them.

Chris Munro Trading Limited (Formerly Known as Beckwith Asset Management Limited)

Notes to the Financial Statements *(continued)*

for the year ended 30 June 2016

10. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account - This reserve records retained earnings and accumulated losses, less amounts distributed to shareholders.

11. Controlling party

In the opinion of the directors, the ultimate controlling party of the company is CIC Munro, a director and sole shareholder.

12. Transition to FRS 102

The transition to FRS 102 has resulted in no material changes in accounting policies or material adjustments to comprehensive income and retained earnings or equity of the company as previously reported.

13. Events after the end of the reporting period

As of 26th October 2016, the Company resolved to change its name to Chris Munro Trading Limited, formerly having been known as Beckwith Asset Management Limited. This has had no financial impact on the Company.