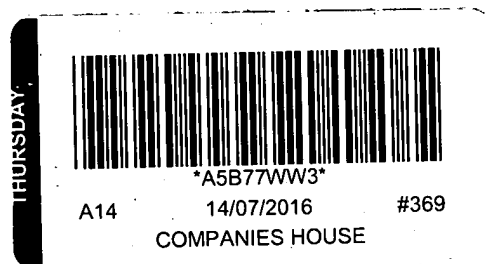


Company Registration No. 02960433 (England and Wales)

CFS PORTFOLIO MANAGEMENT LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016



CFS PORTFOLIO MANAGEMENT LTD

COMPANY INFORMATION

Directors	A O Harwood J Besso-Cowan
Secretary	G Harwood
Company number	02960433
Registered office	Japonica House 8 Spring Villa Park Edgware, Middlesex HA8 7EB
Auditors	Fisher, Sassoon & Marks 43 - 45 Dorset Street London W1U 7NA

CFS PORTFOLIO MANAGEMENT LTD

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 5
Independent auditor's report	6 - 7
Profit and loss account	8
Balance sheet	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 20

CFS PORTFOLIO MANAGEMENT LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The directors present the strategic report and financial statements for the year ended 31 March 2016.

Fair review of the business

The results for the year and the financial position at the year end reflect the difficult market conditions experienced by the Financial services Industry since 2008/9. The Directors are confident of improved results in the subsequent period.

Development and performance

At the year end the company had net assets of £132,565 (2015 - £169,669).

Key performance indicators

Given the nature of the company's business administration expenses are in the main a fixed cost. Accordingly the operating results are dependent on fees generated from fund management. The key performance indicator is turnover and is dependent on the ability of the company to increase funds under management each year and to provide satisfactory investment returns to clients.

Other information and explanations

The company changed it's name from " CFS Independent Limited " to " CFS Portfolio Management Ltd " on 29 October 2015.

On behalf of the board



.....
A O Harwood

Director

11/7/16

CFS PORTFOLIO MANAGEMENT LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The directors present their annual report and financial statements for the year ended 31 March 2016.

Principal activities

The principal activity of the company continued to be that of discretionary fund management and investment advisors.

Directors

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

A O Harwood
J Besso-Cowan

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £43,102. The directors do not recommend payment of a final dividend.

Capital Requirements Directive Pillar 3 Disclosure

Background

The Capital Requirements Directive ('the Directive') of the European Union created a revised regulatory capital framework across Europe governing how much capital financial services firms must retain. In the United Kingdom, this is being implemented by our regulator, the Financial Conduct Authority ('FCA') who has created new rules and guidance specifically through the creation of the General Prudential Source book ('GENPRU') and the Prudential Source book for Banks, Building Societies and Investment Firms ('BIPRU'). The new FCA framework consists of three 'Pillars': Pillar 1 sets out the minimum capital requirements that we need to retain to meet our credit, market and operational risk; Pillar 2 requires us, and the FCA, to take a view on whether we need to hold additional capital against firm-specific risks not covered by Pillar 1; and Pillar 3 requires us to develop a set of disclosures which will allow market participants to assess key information about our underlying risks, risk management controls and capital position. The rules in BIPRU 11 set out the provision for Pillar 3 disclosure. This must be done in accordance with a formal disclosure document. The disclosure of this document meets our obligation with respect to Pillar 3. The rules provide that we may omit one or more of the required disclosures if we believe that the information is immaterial. Materiality is based on the criterion that the omission or misstatement of any information would be likely to change or influence the decision of a reader relying on that information. Where we have considered a disclosure to be immaterial, we have stated this in the document. In addition, we may also omit one or more of the required disclosures where we believe that the information is regarded as proprietary or confidential. In our view, proprietary information is that which, if it were shared, would undermine our competitive position. Information is considered to be confidential where there are obligations binding us to confidentiality with our customers, suppliers and counterparties.

The company is a BIPRU €50,000 limited license firm. The firm's Pillar 1 requirement is £31,923 and Pillar 2 requirements are £42,375.

The company had credit risk of £10,453 and market risk of £5,718.

As a service provider the directors consider that the key financial risk exposures faced by the company relate to the need to maintain sufficient liquidity to satisfy regulatory capital requirements and working capital needs. The company does not invest in investments which expose it to material price risk nor does it have a material exposure to foreign exchange movements.

CFS PORTFOLIO MANAGEMENT LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

The company's financial risk management objectives are therefore to minimise the key financial risks through having clearly defined terms of business with clients, regular monitoring of cash flow and management accounts to ensure regulatory capital requirements are not breached and the company maintains adequate working capital.

The principal non financial risks faced by the company relate to breach of laws and regulations within the Financial Services and Markets Act 2000 and Financial Conduct Authority Rule Book. These risks are minimised through having stringent internal controls.

BIPRU 11.5.18

Disclosures: Remuneration

Information concerning the decision-making process

Due to the size of the Company, we do not consider it appropriate to have a separate remuneration committee. Instead this function is undertaken by the Managing Board. This will be kept under review and should the need arise, the Company will consider amending this arrangement to provide greater independent review.

The CEO is a member of the Managing Board and also has a majority voting interest in the Company.

The Managing Board of CFS Portfolio Management Ltd is responsible for ensuring that the remuneration policy is developed to align with its risk tolerance. No external consultants assisted in this review. Any person with a question regarding the policy or disclosures made under this policy should refer to the Directors who are members of the Managing Board.

Information on the link between pay and performance

A key objective in utilising the Company's structure was to align the interests of the directors with the overall goal of achieving the best performance over the long-term for the Company.

A Harwood receives a fixed pre-agreed salary from CFS Portfolio Management Ltd reflecting his ownership interest in the Company. This amount is reviewed annually. Adjustment can be both down as well as up and is made by the Managing Board which considers the individual's performance and contribution to the Company.

The Director's salary is paid after ensuring FCA capital and liquidity requirements and the working capital needs of the Company have been considered, thereby ensuring the Company is financially viable going forward.

Aggregate Value of Directors salaries for period to 31 March 2016

Based on the profile of the Company we consider we have one business area, investment management and all Directors, as Code Staff, have responsibilities that typically fall within job titles FCA guidance indicated would suggest they are senior personnel whose role impacts the risk profile of the Company.

As such, to comply with the FCA disclosure requirement BIRPU 11.5.18 R (6) and (7), we disclose, as per the audited accounts of the Firm, the total Directors salaries which, for the period to 31 March 2016 was £26,586.

The position of the Company at the year end

At the year end the company had net assets of £132,565 (2015 - £169,669).

Analysis based on key performance indicators

Given the nature of the company's business administration expenses are in the main a fixed cost. Accordingly the operating results are dependent on fees generated from fund management. The key performance indicator is turnover and is dependent on the ability of the company to increase funds under management each year and to provide satisfactory investment returns to clients.

CFS PORTFOLIO MANAGEMENT LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Financial instruments

Liquidity risk

The company manages its cash requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the businesses.

Credit risk

Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Post reporting date events

There are no matters to report.

Future developments

The company has been appointed as an investment adviser to the subfund of an authorised open ended investment company.

Auditors

The auditors, Fisher, Sassoon & Marks, 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 Annual 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.

CFS PORTFOLIO MANAGEMENT LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually 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.

Stewardship Code Disclosure Statement

The Stewardship Code was published by the Financial Reporting Council (FRC) in July 2010. Its aim is to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities. The seven principles of the Code are that institutional investors should: 1) Publicly disclose their policy on how they will discharge their stewardship responsibilities; 2) Have a robust policy on managing conflicts of interest in relation to stewardship and this policy should be publicly disclosed; 3) Monitor their investee companies; 4) Establish clear guidelines on when and how they will escalate their activities as a method of protecting and enhancing shareholder value; 5) Be willing to act collectively with other investors where appropriate; 6) Have a clear policy on voting and disclosure of voting activity; 7) Report periodically on their stewardship and voting activities.

On behalf of the board



A O Harwood

Director

11/7/16

CFS PORTFOLIO MANAGEMENT LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CFS PORTFOLIO MANAGEMENT LTD

We have audited the financial statements of CFS Portfolio Management Ltd for the year ended 31 March 2016 set out on pages 8 to 20. 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 Financial Reporting Standard 102.

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 directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on , 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 2016 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 the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

CFS PORTFOLIO MANAGEMENT LTD

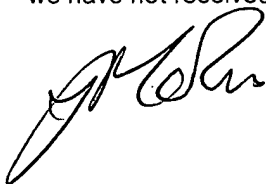
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CFS PORTFOLIO MANAGEMENT LTD

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.



Jonathan Marks (Senior Statutory Auditor)
for and on behalf of Fisher, Sassoon & Marks

11/7/2016

Chartered Accountants
Statutory Auditor

43 - 45 Dorset Street
London
W1U 7NA

CFS PORTFOLIO MANAGEMENT LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2016

		2016	2015
	Notes	£	£
Turnover	3	234,272	258,916
Administrative expenses		(177,598)	(203,929)
Operating profit	4	56,674	54,987
Interest receivable and similar income	6	25	37
Amounts (written back) / written off investments	7	(39,016)	-
Profit before taxation		17,683	55,024
Taxation	8	(11,684)	(11,440)
Profit for the financial year		5,999	43,584
Total comprehensive income for the year		5,999	43,584

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

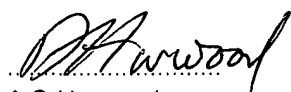
CFS PORTFOLIO MANAGEMENT LTD

BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	10		6,085		8,115
Current assets					
Debtors	12	71,481		96,867	
Investments	13	53,290		47,756	
Cash at bank and in hand		29,438		46,212	
		154,209		190,835	
Creditors: amounts falling due within one year	14	(27,729)		(29,281)	
Net current assets			126,480		161,554
Total assets less current liabilities			132,565		169,669
Capital and reserves					
Called up share capital	17	186,000		186,000	
Profit and loss reserves		(53,435)		(16,331)	
Total equity			132,565		169,669

The financial statements were approved by the board of directors and authorised for issue on 11/7/16 and are signed on its behalf by:



A O Harwood
Director

Company Registration No. 02960433

CFS PORTFOLIO MANAGEMENT LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2014		186,000	(59,915)	126,085
Period ended 31 March 2015:				
Profit and total comprehensive income for the year		-	43,584	43,584
Balance at 31 March 2015		186,000	(16,331)	169,669
Period ended 31 March 2016:				
Profit and total comprehensive income for the year		-	5,999	5,999
Dividends	9	-	(43,102)	(43,102)
Balance at 31 March 2016		186,000	(53,435)	132,565

CFS PORTFOLIO MANAGEMENT LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from operations	20		57,291		76,926
Income taxes paid			(11,440)		(6,746)
Net cash inflow from operating activities			45,851		70,180
Investing activities					
Purchase of tangible fixed assets		-		(199)	
Proceeds on disposal of fixed asset investments		(5,534)		(9,999)	
Proceeds from other investments and loans		(18,165)		(20,851)	
Interest received		25		37	
Net cash used in investing activities			(23,674)		(31,012)
Financing activities					
Repayment of borrowings		4,151		(123)	
Dividends paid		(43,102)		-	
Net cash used in financing activities			(38,951)		(123)
Net (decrease)/increase in cash and cash equivalents			(16,774)		39,045
Cash and cash equivalents at beginning of year			46,212		7,167
Cash and cash equivalents at end of year			29,438		46,212

CFS PORTFOLIO MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Company information

CFS Portfolio Management Ltd is a company limited by shares incorporated in England and Wales. The registered office is Japonica House, 8 Spring Villa Park, Edgware, Middlesex, HA8 7EB.

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 on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Turnover

Turnover represents amounts receivable for undertaking discretionary fund management and investment advice net of VAT and client rebates.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25 % - 33 % reducing balance
--------------------------------	------------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

CFS PORTFOLIO MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

CFS PORTFOLIO MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

CFS PORTFOLIO MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

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

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.

Deferred tax

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.10 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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CFS PORTFOLIO MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

3 Turnover and other revenue

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

	2016 £	2015 £
Turnover		
Fee receivable	234,272	258,916

Other significant revenue

Interest income	25	37
-----------------	----	----

Turnover analysed by geographical market

	2016 £	2015 £
UK	234,272	258,916

4 Operating profit

Operating profit for the year is stated after charging/(crediting):

	2016 £	2015 £
Fees payable to the company's auditors for the audit of the company's financial statements	3,750	4,000
Depreciation of owned tangible fixed assets	2,029	2,704
Operating lease charges	10,398	8,667

5 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	26,586	71,801
Company pension contributions to defined contribution schemes	802	1,150
	27,388	72,951

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2015 - 0).

6 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	25	37

CFS PORTFOLIO MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

(Continued)

6 Interest receivable and similar income

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	25	37
	<u>25</u>	<u>37</u>

7 Amounts (written back) / written off investments

	2016 £	2015 £
Amounts written off investments held at fair value	(39,016)	-
	<u>(39,016)</u>	<u>-</u>

8 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	11,684	11,440
	<u>11,684</u>	<u>11,440</u>

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2016 £	2015 £
Profit before taxation	17,683	55,024
	<u>17,683</u>	<u>55,024</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	3,537	11,005
Tax effect of expenses that are not deductible in determining taxable profit	35	52
Permanent capital allowances in excess of depreciation	309	384
Effect of revaluations of investments	7,803	-
	-	(1)
	<u>11,684</u>	<u>11,440</u>
Tax expense for the year	11,684	11,440
	<u>11,684</u>	<u>11,440</u>

9 Dividends

	2016 £	2015 £
Interim paid	43,102	-
	<u>43,102</u>	<u>-</u>
	43,102	-
	<u>43,102</u>	<u>-</u>

CFS PORTFOLIO MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

10 Tangible fixed assets

Fixtures, fittings & equipment
£

Cost

At 1 April 2015 and 31 March 2016 34,216

Depreciation and impairment

At 1 April 2015 26,102

Depreciation charged in the year 2,029

At 31 March 2016 28,131

Carrying amount

At 31 March 2016 6,085

At 31 March 2015 8,115

11 Financial instruments

2016 2015
£ £

Carrying amount of financial assets

Debt instruments measured at amortised cost - 23,476

Equity instruments measured at cost less impairment 53,290 47,756

Carrying amount of financial liabilities

Measured at amortised cost 14,640 14,502

12 Debtors

2016 2015
£ £

Amounts falling due within one year:

Other debtors 823 24,244

Prepayments and accrued income 70,658 72,623

71,481 96,867

13 Current asset investments

2016 2015
£ £

Listed investments 53,290 47,756

At the year end the market valuation of the listed investments was £53,290 (2015: £40,312).

CFS PORTFOLIO MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

14 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Loans and overdrafts	15	4,151	-
Trade creditors		6,489	9,352
Corporation tax		11,684	11,440
Other taxation and social security		1,405	3,339
Other creditors		-	1,150
Accruals and deferred income		4,000	4,000
		<u>27,729</u>	<u>29,281</u>

15 Loans and overdrafts

	2016 £	2015 £
Directors' loans	4,151	-
	<u>4,151</u>	<u>-</u>
Payable within one year	4,151	-
	<u>4,151</u>	<u>-</u>

At the year end, Mr & Mrs Harwood were owed £4,151 (2015: £nil) by the company. This amount is interest free and repayable by 31 December 2016.

16 Retirement benefit schemes

Defined contribution schemes

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.

The charge to profit and loss in respect of defined contribution schemes was £2,572 (2015 - £2,450).

17 Share capital

	2016 £	2015 £
Ordinary share capital		
Authorised		
186,000 Ordinary shares of £1 each	186,000	186,000
	<u>186,000</u>	<u>186,000</u>
Issued and fully paid		
186,000 Ordinary shares of £1 each	186,000	186,000
	<u>186,000</u>	<u>186,000</u>

18 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

CFS PORTFOLIO MANAGEMENT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

18 Operating lease commitments (Continued)

	2016 £	2015 £
Within one year	9,000	10,000
Between two and five years	60,000	60,000
	<u>69,000</u>	<u>70,000</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2016 £	2015 £
Aggregate compensation	<u>22,435</u>	<u>71,801</u>

At the year end, Mr & Mrs Harwood were owed £4,151 (2015: £nil) by the company and owed £nil (2015: £20,851) to the company.

No guarantees have been given or received.

20 Cash generated from operations

	2016 £	2015 £
Profit for the year after tax	5,999	43,584
Adjustments for:		
Taxation charged	11,684	11,440
Investment income	(25)	(37)
Depreciation and impairment of tangible fixed assets	2,029	2,704
Amounts (written back) / written off investments	39,016	-
Movements in working capital:		
Decrease in debtors	4,590	19,995
(Decrease) in creditors	(6,002)	(760)
Cash generated from operations	<u>57,291</u>	<u>76,926</u>