

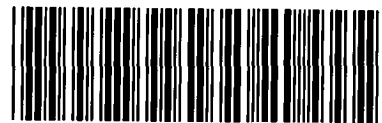
**LIONTRUST INVESTMENT SERVICES LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2018**

Company Registration No. 3194204

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# LIONTRUST INVESTMENT SERVICES LIMITED

## **Company Information**

Liontrust Investment Services Limited is a company registered in England.

### **Registered Office:**

2 Savoy Court, London WC2R 0EZ.

### **Company Secretary:**

Mark Jackson, 2 Savoy Court, London WC2R 0EZ.

### **Independent Auditors:**

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

### **Legal Advisers:**

Macfarlanes LLP, 20 Cursitor Street, London ECA 1LT.

### **Bankers:**

RBS, 280 Bishopsgate, 60 Queen Victoria Street, London EC2M 4RB.

# **LIONTRUST INVESTMENT SERVICES LIMITED**

## **DIRECTORS' REPORT**

The Directors present their annual report and the audited financial statements for Liontrust Investment Services Limited (the "Company") for the year ended 31 March 2018. The Company is incorporated and domiciled in England.

## **PRINCIPAL ACTIVITY**

The principal activity of the Company is to operate as a Corporate Member for Liontrust Investment Partners LLP.

## **RESULTS AND DIVIDEND**

The results of the Company for the year to 31 March 2018 are set out in detail on page 8. The profit after tax for the year was £3,734,000 (2017: loss of £314,000). The Company's total equity Balance Sheet position at 31 March 2018 was £11,529,000 (2017: £10,295,000). The Company has paid a dividend of £2,500,000 during the year (2017: No dividend).

## **RISK MANAGEMENT POLICIES**

The Company's operations expose it to a number of financial risks that include credit risk, market risk, interest rate risk and liquidity risk which are detailed in note 3 on pages 14 to 15.

The Company has considered these risks and has managed them through the operation of the Group's internal control systems, which are supported by regular meetings of the Company's Directors.

## **DIRECTORS' INDEMNITIES**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

## **DIRECTORS**

The Directors who served during the year and those at the date of this report were as follows:

V K Abrol	-	Director
J S Ions	-	Director

# LIONTRUST INVESTMENT SERVICES LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). 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 United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Following a review of the proposed internal corporate restructuring as detailed in the 2017 Financial statements the Directors have decided not to proceed as planned and, as such, do not propose liquidate the Company. The Company is now expected to continue in operational existence for the foreseeable future and, for this reason, the financial statements have been prepared on a going concern basis.

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.

# LIONTRUST INVESTMENT SERVICES LIMITED

## STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a Director at the date of approval of this report confirms that:

(a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

## DONATIONS

The Company made no charitable or political donations during the year (2017: £nil).

## DISCLOSURE NOTE

This report has been prepared in accordance with the special provisions relating to small companies within section 415(A) of the Companies Act 2006.

Approved on behalf of the Board



VK Abrol  
Director

VINAY Abrol

18 July 2018

# LIONTRUST INVESTMENT SERVICES LIMITED

## *Independent auditors' report to the members of Liontrust Investment Services Limited*

### Report on the financial statements

#### Opinion

In our opinion, Liontrust Investment Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2018; the Statement of Comprehensive Income, and the Statement of Changes in Shareholders' Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### Basis for opinion

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

#### Independence

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

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

# LIONTRUST INVESTMENT SERVICES LIMITED

## ***Independent auditors' report to the members of Liontrust Investment Services Limited (continued)***

### *Reporting on other information*

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

### *Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise

# LIONTRUST INVESTMENT SERVICES LIMITED

## ***Independent auditors' report to the members of Liontrust Investment Services Limited (continued)***

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

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

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### **Other required reporting**

#### *Companies Act 2006 exception reporting*

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

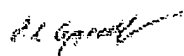
- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified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

We have no exceptions to report arising from this responsibility.

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#### *Entitlement to exemptions*

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Sally Cosgrove (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
18 July 2018



# LIONTRUST INVESTMENT SERVICES LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2018

		Year ended 31-Mar-18 £'000	Year ended 31-Mar-17 £'000
	Notes		
Revenue	4	4,500	-
<b>Gross profit</b>		4,500	-
Administrative expenses	5	(18)	(8)
<b>Operating profit/(loss)</b>	7	4,482	(8)
Finance income		-	-
<b>Profit/(loss) before tax</b>		4,482	(8)
Taxation	8	(748)	(306)
<b>Profit/(loss) for the financial year</b>		3,734	(314)
<b>Other comprehensive income:</b>			
Other comprehensive income for the financial year, net of tax		-	-
<b>Total comprehensive income for the year attributable to owners of the parent</b>		3,734	(314)

The notes on page 11 to 19 form an integral part of these financial statements.

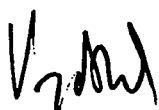
# LIONTRUST INVESTMENT SERVICES LIMITED

## BALANCE SHEET

As at 31 March 2018

	Notes	31-Mar-18 £'000	31-Mar-17 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in subsidiary	9	14,574	-
		<u>14,574</u>	<u>-</u>
<b>Current assets</b>			
Investment in subsidiary	9	-	14,574
Cash and cash equivalents		14	14
		<u>14</u>	<u>14,588</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	(2,311)	(3,988)
Corporation tax payable		(748)	(305)
		<u>(3,059)</u>	<u>(4,293)</u>
<b>Net assets</b>		<u><b>11,529</b></u>	<u><b>10,295</b></u>
<b>Shareholders' equity</b>			
Ordinary shares	11	9,187	9,187
Retained earnings	12	2,342	1,108
<b>Total equity</b>		<u><b>11,529</b></u>	<u><b>10,295</b></u>

Approved by the Board of Directors on 18 July 2018 and signed on its behalf by



VK Abrol, Director

VINAY ABROL

Company registration number: 3194204

The notes on page 11 to 19 form an integral part of these financial statements.

# LIONTRUST INVESTMENT SERVICES LIMITED

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 March 2018

	<i>Ordinary shares £ '000</i>	<i>Retained earnings £ '000</i>	<i>Total Equity £ '000</i>
Balance at 1 April 2017 brought forward	9,187	1,108	10,295
Profit for the financial year	-	3,734	3,734
Total comprehensive income for the financial year	-	3,734	3,734
Dividends paid		(2,500)	(2,500)
Balance at 31 March 2018	<b>9,187</b>	<b>2,342</b>	<b>11,529</b>

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the year ended 31 March 2017

	<i>Ordinary shares £ '000</i>	<i>Retained earnings £ '000</i>	<i>Total Equity £ '000</i>
Balance at 1 April 2016 brought forward	9,187	1,422	10,609
Loss for the financial year	-	(314)	(314)
Total comprehensive income for the financial year	-	(314)	(314)
Balance at 31 March 2017	<b>9,187</b>	<b>1,108</b>	<b>10,295</b>

The notes on page 11 to 19 form an integral part of these financial statements.

# LIONTRUST INVESTMENT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 1 PRINCIPAL ACCOUNTING POLICIES

#### a) Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 10(d) IAS 1, 'Presentation of financial statements'
- IAS 7, 'Statement of cash flows'
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

The preparation of financial statements in conformity with generally accepted accounting principles requires the Directors of the Company to make judgements and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial information and the reported income and expense during the reporting periods. Although these judgements and assumptions are based on the Directors' best knowledge of the amount, events or actions, actual results may differ from these estimates. The accounting policies set out below have been used to prepare the financial information.

The Company has continued to apply the accounting policies used for its 2017 financial statements and did not implement the requirements of any Standards or Interpretations which were in issue and which were not required to be implemented at the year-end date.

The International Accounting Standards Board and IFRS Interpretations Committee have issued a number of new accounting standards, amendments to existing standards and interpretations.

<u>Standard</u>	<u>Effective date</u>
IFRS 9 Financial Instruments	1 January 2018
IFRS15 Revenue from Contracts with Customers	1 January 2018
IFRS16 Leases	1 January 2019

#### *IFRS 9 Financial Instruments*

IFRS 9 will replace the classification and measurement models for financial instruments currently contained in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 was endorsed by the EU in November 2016 and is effective for accounting periods beginning on or after 1 January 2018. The financial asset classification will be determined on the basis of the contractual cash flow characteristics of the instruments and the Company's business model for the collection of cash flows arising from its investments.

In respect of IFRS 9, the Company holds trade and other receivables and payables principally comprise short-term settlement accounts and accruals, neither of which are held for trading or meet the definition of items that could be carried at fair value. Such instruments will therefore remain at amortised cost.

## **LIONTRUST INVESTMENT SERVICES LIMITED**

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

For the Company, the adoption of IFRS9 will not result in any material changes. If IFRS9 had been applied during the year ended 31 March 2018 there would have been no material impact on the Company's financial statements.

#### *IFRS15 Revenue from Contracts with Customers*

The only income received by the Company is income allocation from its subsidiary which will fall outside of scope of IFRS 15. Therefore the standard is not expected to have any impact on the Company.

#### *IFRS16 Leases*

IFRS 16 provides a single accounting model for leases, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. It will supersede the current guidance found in IAS 17 Leases.

Adoption of IFRS 16 will result in significant increase of total assets and liabilities as a result of the requirement to capitalise both the right to use leased assets and the contractual payments to be made under lease obligations, the amounts of which will be driven by the outstanding lease commitments at the date of adoption. The standard is not expected to have a significant impact on the Company as the Company itself does not have any leases. All leases are within the parent undertaking.

### **b) Strategic Report**

A Strategic Report has not been included in these audited financial statements as the Company qualifies for exemption as a small entity under Section 382 of the Companies Act 2006 relating to small companies.

### **c) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### **d) Accounting estimates and judgements**

Estimates and judgements used in preparing the financial statements are periodically evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. The resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are discussed below.

#### *Taxation*

Judgement is required in determining the total provision for income taxes. There are transactions and calculations for which the ultimate tax determination may be uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

## **LIONTRUST INVESTMENT SERVICES LIMITED**

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

#### **e) Foreign currency gains or losses**

Items in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in Sterling ('£') which is the Company's functional and presentation currency.

Foreign currency assets and liabilities are translated at rates of exchange ruling at the Balance Sheet date and any exchange rate differences arising from income or expense items are taken to the Statement of Comprehensive Income within revenue. Any exchange rate gains or losses arising from monetary assets and liabilities are taken to the Statement of Comprehensive Income. Differences arising from the translation of available for sale assets are taken to equity. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction.

#### **f) Income and expenses**

Income and expenses are accounted for on an accruals basis when they become receivable or payable.

#### **g) Taxation**

The tax expense for the period comprises current tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### **h) Dividends**

Equity dividends to the shareholders of the Company are recognised as a liability in the period during which they are declared and approved.

#### **i) Financial assets**

The Company classifies its financial assets in the following category: receivables  
Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets. The Company's receivables comprise trade and other receivables and cash and cash equivalents in the Balance Sheet. They are held at amortised cost.

The Company assesses at each Balance Sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

## **LIONTRUST INVESTMENT SERVICES LIMITED**

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

#### **j) Trade and other payables**

Trade and other payables represent amounts the Company is due to pay to third parties in the normal course of business. These include expense accruals as well as settlement accounts (amounts due to be paid for transactions undertaken). Trade creditors are costs that have been billed. Accruals represent costs, including remuneration, that are not yet billed or due for payment. They are financial liabilities held at amortised cost.

#### **k) Investment in subsidiaries**

Investment in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

## **2 SEGMENTAL REPORTING**

The Company operates only in one business segment – the operating company of an Investment Management subsidiary.

## **3 FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to a variety of financial risks: market risk (including price risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme understands the unpredictable nature of financial markets and seeks to minimise any potential adverse effects on the Company's financial performance. The Group uses a number of analytical tools to measure the state of the business which include the Company's operations. These measures are disclosed in the Group's annual report and financial statements.

#### **a) Market risk**

##### *Cashflow interest rate risk*

Interest rate risk is the risk that the Group will sustain losses from the fair value or future cash flow of adverse movements in interest bearing assets and liabilities and so reduce profitability.

The Company holds cash on deposit. The interest on these balances is based on floating rates and fixed rates. The Company monitors its exposure to interest rate movements and may decide to adjust the balance between deposits on fixed or floating interest rates, or adjust the level of borrowings and deposits. Following a review of sensitivity based on average cash holdings during the year a 1% increase or decrease in the interest rate will cause a less than £143 (2017: £1,000) increase or decrease in interest receivable. Cash earns interest at floating or fixed rates based on daily bank deposit rates. The weighted average effective interest rate on cash is 0.1% (2017: 0.1%).

#### **b) Credit risk**

Credit risk is managed at a Group level. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to other Group entities, including outstanding receivables and committed transactions.

## **LIONTRUST INVESTMENT SERVICES LIMITED**

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

For banks and financial institutions only independently rated parties with a minimum rating of 'A-2' are used and their ratings are regularly monitored and are reviewed at a board level on a monthly basis.

During the year there have been no losses due to non-payment of receivables and the Company does not expect any losses from the credit counterparties as held at the Balance Sheet date.

<b>Maximum exposure to credit risk</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
	<i>£'000</i>	<i>£'000</i>
Cash and cash equivalents	14	14

#### **c) Liquidity risk**

Prudent liquidity risk management requires the maintenance of sufficient cash. The Company monitors rolling forecasts of the Company's liquidity reserves (comprising readily realisable investments and cash and cash equivalents) on the basis of expected cash flow.

The Company has analysed its financial liabilities into maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. There is a payables balances of £2,311,000 (2017: £3,988,000) refer to note 10.

#### **d) Capital risk management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal structure to reduce the cost of capital.

In order to maintain or adjust the capital structure the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, buy-back shares or sell assets to reduce debt.

## **4 REVENUE**

The only revenue that the Company receives is revenue allocated from Liontrust Investment Partners LLP of which the Company is a Corporate Member. During the year the Company received allocations of £4,500,000 (2017: £nil).

## **5 ADMINISTRATIVE EXPENSES**

During the year the Company has only incurred expenses related to audit fees and sundry items totalling £18,000 (2017: £8,000). The Company had no employees during the year (2017: no employees).



**LIONTRUST INVESTMENT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**6 DIRECTORS' EMOLUMENTS**

The emoluments of the highest paid Director for the year amounted to £nil (2017: £nil). Pension contributions of £nil (2017: £nil) were made in respect of this Director and this Director has not exercised any options during the year (2017: No options exercised).

**7 OPERATING PROFIT**

	<i>Year ended</i>	<i>Year ended</i>
	<i>31-Mar-18</i>	<i>31-Mar-17</i>
	<i>£'000</i>	<i>£'000</i>
The following items have been included in arriving at operating profit:		
Fees payable to the auditor	2	8

**8 TAXATION**

	<i>Year ended</i>	<i>Year Ended</i>
	<i>31-Mar-18</i>	<i>31-Mar-17</i>
	<i>£'000</i>	<i>£'000</i>
(a) Analysis of charge in the year		
Current tax:		
UK corporation tax at 19% (2017: 20%)	992	341
Adjustments in respect of prior periods	(243)	(35)
Total current tax	748	306
Total tax	748	306
(b) Factors affecting current tax		
Profit/(loss) on ordinary activities before tax	4,482	(8)
Profit/(loss) Loss on ordinary activities at UK corporation tax rate of 19% (2017: 20%)	852	(1)
Effects of:		
LLP profit allocated	994	342
LLP distribution not taxable	(855)	-
Adjustments in respect of prior periods	(243)	(35)
Total Taxation	748	306

**LIONTRUST INVESTMENT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**9 INVESTMENT IN SUBSIDIARY UNDERTAKING**

The Company's investment in subsidiary undertakings represents its interest as a Corporate Member of Liontrust Investment Partners LLP.

	31-Mar-18 £'000	31-Mar-17 £'000
Balance at 1 April	14,574	14,574
Additions during the year	-	-
Balance at 31 March	<u>14,574</u>	<u>14,574</u>

**10 TRADE AND OTHER PAYABLES**

	31-Mar-18 £'000	31-Mar-17 £'000
Other payables	9	3
Amounts owed to Group undertakings	<u>2,302</u>	<u>3,985</u>
	<u>2,311</u>	<u>3,988</u>

All financial liabilities listed above are non-interest bearing and are due within 1 year. The carrying amount of these non-interest bearing trade and other payables approximates their fair value. Amounts due to group entities are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**11 ORDINARY SHARES**

	31-Mar-18 £'000	31-Mar-17 £'000
<b>Authorised</b>		
Equity		
183,727,850 Ordinary Shares of 5 pence each (2017: 183,727,850)	<u>9,187</u>	<u>9,187</u>
<b>Allotted, issued and fully paid</b>		
Equity		
183,727,850 Ordinary Shares of 5 pence each (2017: 183,727,850)	<u>9,187</u>	<u>9,187</u>

# LIONTRUST INVESTMENT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 12 RETAINED EARNINGS

	31-Mar-18 £'000	31-Mar-17 £'000
Balance at 1 April	1,108	1,422
Retained profit/(loss) for the financial year	3,734	(314)
Dividends paid	(2,500)	-
Balance at 31 March	<u>2,342</u>	<u>1,108</u>

### 13 RELATED UNDERTAKINGS

The Companies Act 2006 requires disclosure of certain information about the Company's related undertakings which is set out in this note. Related undertakings comprise subsidiaries, joint ventures, associates and other significant holdings. Significant holdings are where the Company either has a shareholding greater than or equal to 20% of the nominal value of any share class, or a book value greater than 20% of the Company's assets.

The direct related undertakings of the Company as at 31 March 2018 are listed below.

Name of undertaking	Country of incorporation	% held
Liontrust Investment Partners LLP*	UK	100

\*Address: 2 Savoy Court, London, WC2R 0EZ

### 14 CONTINGENT ASSETS AND LIABILITIES

Contingent assets as at 31 March 2018 amount to £nil (2017: £nil).

Contingent liabilities as at 31 March 2018 amount to £nil (2017: £nil).

### 15 DISCLOSURE EXEMPTIONS

The Company has taken advantage of the exemptions available under FRS 101, 'Reduced disclosure framework', and has therefore not included a Cash Flow Statement as required under IAS 7, 'Cash Flow Statement' or Related Party Transactions as required under IAS 24, 'Related Parties'. The results of the company are included within the consolidated financial statements of the ultimate parent, Liontrust Asset Management PLC, which can be obtained from the Group's Broker Services Department at Liontrust Asset Management plc, 2 Savoy Court, London, WC2R 0EZ.

# **LIONTRUST INVESTMENT SERVICES LIMITED**

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

### **16 PARENT UNDERTAKING**

The Company's immediate parent undertaking and smallest and largest group to prepare consolidated financial statements is Liontrust Asset Management PLC.

Copies of Liontrust Asset Management PLC's consolidated financial statements may be obtained from 2 Savoy Court, London, WC2R 0EZ.

### **17 POST BALANCE SHEET DATE EVENT**

There were no post balance sheet date events.