STONEHAGE
FLEMING

Company No: 04027726

STONEHAGE FLEMING (OVERSEAS) LIMITED

Annual Report & Financial Statements

FOR THE YEAR ENDED
31 March 2018

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COMPANIES HOUSE

STONEHAGE FLEMING (OVERSEAS) LIMITED
15 SUFFOLK STREET, LONDON SW1Y 4HG.
t:+ 44 (0)20 7036 5000 f:+44 (0)20 7036 5600 e:enquiries@stonehagefleming.com
stonehagefleming.com

STONEHAGE
FLEMING

DIRECTORS

D F Fletcher
J St G Shacklock

COMPANY SECRETARY

K D Munday

REGISTERED OFFICE

15 Suffolk Street
London
SW1Y 4HG

INDEPENDENT AUDITORS

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

REGISTERED NUMBER

04027726

STONEHAGE
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STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2018

The Directors present their Strategic Report of the Company for the year ended 31 March 2018.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The Company is a holding company for other Group companies and is not expected to trade on its own account in the future. The Strategic Report and financial statements of Stonehage Fleming (UK) Limited include a review of the Group's principal business risks and uncertainties and business development, performance and key performance indicators, including this Company.

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of business risks. The Company's risk management policies seek to minimise potential adverse effects on financial performance.

Currency risk
Substantially all of the Company's turnover, expenses, assets and liabilities are denominated in Sterling. The Company ensures that the exposure to net assets held in foreign currency is monitored and managed as appropriate.

Interest rate risk
The Company's cash balances are exposed to interest rate risk arising from changes in interest rates. Management do not currently operate any hedging policies in respect of this risk. In Management's opinion there are no other significant interest bearing assets or liabilities.

Market risk
The majority of the Company's income is earned from other Group companies. Such income is not affected by market movements.

Credit risk
The Company is exposed to credit risk being the risk that receivables and cash are not collected. The majority of the Company's assets comprise amounts owed by Group undertakings and cash at bank. It is the Company's policy to hold cash with a small number of high quality institutions. Receivables are monitored regularly and Management believe that the Company's procedures adequately mitigate this risk.

Approved by the Board of Directors on 5 July 2018 and signed by its order by:

K D Munday
Company Secretary
5 July 2018

Stonehage Fleming (Overseas) Limited
Registered Number 04027726

STONEHAGE FLEMING

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The Directors present their report and the audited financial statements of the Company for the year ended 31 March 2018.

INCORPORATION

The Company was incorporated in England and Wales on 5 July, 2000 as a private company limited by shares and is domiciled in the United Kingdom.

PRINCIPAL ACTIVITIES

The Company is an intermediate holding company having an investment in an offshore Group company. The Company intends to continue to operate with this principal activity during the next financial year.

RESULTS AND DIVIDENDS

In the year under review, the Company recorded a profit before taxation of £111,000 (2017: £153,000). At 31 March 2018, the Company had net assets of £204,000 (2017: £208,000).

An interim dividend of £115,000 was declared and paid during the year (2017: £3,000,000).

DIRECTORS

The Directors of the Company who were in office during the year and up to the date of signing the financial statements are listed on page 1.

EMPLOYEES

The Company has no employees (2017: none).

GOING CONCERN

The Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board of Directors and signed by its order by:

K D Munday
Company Secretary
5 July 2018

Stonehage Fleming (Overseas) Limited
Registered Number 04027726

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STONEHAGE FLEMING (OVERSEAS) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion
In our opinion, Stonehage Fleming (Overseas) 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 and cash flows for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report & Financial Statements (the "Annual Report"), which comprise: the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement; 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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STONEHAGE FLEMING (OVERSEAS) LIMITED (CONTINUED)

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 Strategic Report and 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.

Strategic Report and Directors' Report
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and 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 Strategic Report and 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 4, 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 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. 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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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STONEHAGE FLEMING (OVERSEAS) LIMITED (CONTINUED)

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.

Jeremy Jensen

Jeremy Jensen (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
5 July 2018

STONEHAGE FLEMING

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018 £'000	2017 £'000
Administrative expenses		(6)	(6)
Operating loss	4	**(6)**	**(6)**
Income from shares in group undertakings	7	117	159
Interest receivable and similar income		-	-
Profit on ordinary activities before taxation		111	153
Tax on profit on ordinary activities	8	-	-
Profit for the financial year after taxation		111	153
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to equity		111	153

The above results are all attributable to continuing operations.

The notes to the financial statements on pages 12 to 19 form an integral part of these financial statements.

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STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2018

	Note	2018 £'000	2017 £'000
Non-current assets			
Investments in group undertakings	10	10	10
Trade and other receivables	11	200	-
		210	10
Current assets			
Cash at bank and in hand		6	204
		6	**204**
Total assets		**216**	**214**
Current liabilities			
Trade and other payables amounts falling due within one year	12	(12)	(6)
Total liabilities		**(12)**	**(6)**
Net assets		**204**	**208**
Equity			
Called up share capital	14	10	10
Retained earnings		194	198
Total equity		**204**	**208**

The financial statements on pages 8 to 19 were approved by the Board of Directors on 5 July 2018 and signed on its behalf by:

D F Fletcher
Director

Stonehage Fleming (Overseas) Limited
Registered Number 04027726

The notes to the financial statements on pages 12 to 19 form an integral part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Total equity at the start of the year 1 April 2016	10	3,045	3,055
Total comprehensive income for the year ended 31 March 2017	-	153	153
Dividends	-	(3,000)	(3,000)
Total equity at the end of the year 31 March 2017	10	198	208
Total comprehensive income for the year ended 31 March 2018	-	111	111
Dividends	-	(115)	(115)
Total equity at the end of the year 31 March 2018	10	194	204

The notes to the financial statements on pages 12 to 19 form an integral part of these financial statements.

STONEHAGE FLEMING

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

	2018 £'000	2017 £'000
Operating activities		
Profit on ordinary activities before taxation	111	153
Adjustments for:		
Interest receivable	-	-
Dividends received	(117)	(159)
	(6)	(6)
Changes in working capital		
(Increase)/Decrease in trade and other receivables	(200)	2,750
Increase in trade and other payables	6	-
Interest received	-	-
Net cash flow (used in)/ generated from operating activities	**(200)**	**2,744**
Cash flow from investing activities		
Dividends received	117	159
Net cash flows generated from investing activities	**117**	**159**
Cash flow from financing activities		
Dividends paid	(115)	(3,000)
Net cash outflow used in financing activities	**(115)**	**(3,000)**
Net decrease in cash and cash equivalents	**(198)**	**(97)**
Cash and cash equivalents at 1 April	204	301
Cash and cash equivalents at 31 March	6	204

The notes to the financial statements on pages 12 to 19 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union and in accordance with the Companies Act 2006.

The financial statements have been prepared on an historical cost basis and presented in Great Britain Pounds (£). Figures have been rounded to the nearest £ thousand unless otherwise stated.

All accounting policies have been consistently applied.

b) Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report and the Annual Report & Financial Statements of Stonehage Fleming (UK) Limited.

The Company meets its day- to- day working capital requirements through its cash resources.

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current cash.

The Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Directors' Report and financial statements.

c) Dividends receivable from foreign sources

The Company reflects dividends received from foreign subsidiaries gross of withholding tax.

d) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

e) Investments

Investments in subsidiaries are carried at cost less a provision for impairment where the carrying amount of the investment exceeds the carrying amount of the investee's net assets.

f) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less any provision for impairment. Trade and other receivables with maturities greater than twelve months after the balance sheet date are classified as non-current assets.

g) Trade and other payables

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers, prior to the end of the financial year which are unpaid. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

1. **Accounting policies (continued)**

h) Cash and cash equivalents

In the Cash Flow Statement, cash and cash equivalents include cash in hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

i) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

j) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. There have been no actual adjustments this year as a result of an error or change in previous estimates.

The estimates and assumptions that could have a significant effect upon the Company's financial results relate to the review of the investment in subsidiary for impairment as set out in Note 10. The Directors set appropriate assumptions in forming these judgements and exercise appropriate caution when doing so.

k) New standards, amendments and interpretations effective after 31 March 2018

IFRS 9 "Financial instruments", issued in November 2009, is intended to replace IAS 39 "Financial Instruments: recognition and measurement". IFRS 9 introduces new requirements for the classification, measurement and recognition of financial assets and liabilities. This standard is effective for annual periods beginning on or after 1 January 2018. This standard introduces new rules for hedge accounting and a new impairment model.

The Company has reviewed its financial assets and liabilities and the adoption of IFRS 9 will not have a material impact on the classification and measurement of these financial assets.

The financial assets held by the company include:

- Intercompany receivables which are initially measured at fair value and then held at amortised cost which meet the conditions for classification at amortised cost under IFRS 9.
- Trade receivables which are held at amortised cost. These meet the conditions for the contractual cash flow test for classification at amortised cost under IFRS 9.

The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses under IAS 39. Based on the assessments undertaken to date, the adoption of this standard will not have a significant impact on either the Statement of Comprehensive Income or the Statement of Financial Position of the Company.

IFRS 15 "Revenue from contracts with customers" is effective for annual periods beginning on or after 1 January 2018. The Company does not have any contracts with customers and its current source of income is an annual dividend received from its subsidiary Stonehage Fleming Investment Management (Guernsey) Limited.

As such the Company has determined that the adoption of this standard will not have a significant impact on either the Statement of Comprehensive Income or the Statement of Financial Position of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

1. Accounting policies (continued)

IFRS 16 "Leases" is effective for annual periods beginning on or after 1 January 2019. The Company does not hold any operating leases and therefore the adoption of this standard will not impact the Company's Statement of Financial Position or Statement of Comprehensive Income.

2. Consolidated financial statements

The Company is a wholly owned subsidiary of Stonehage Fleming (UK) Limited and is included in the consolidated financial statements of Stonehage Fleming (UK) Limited which are publically available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

3. Turnover

The Company is an intermediate holding company having an investment in an offshore Group company. The Company does not trade on its own account.

4. Operating loss

The cost of auditing the Company's financial statements for the year ended 31 March 2018 amounted to £6,427 (2017: £6,180).

5. Directors' emoluments

Stonehage Fleming Services Limited pays salaries to and makes pension contributions on behalf of the Directors of the Company. No Directors' fees for services of Directors of the Company were paid by this Company (2017: none).

6. Employees

The Company has no employees (2017: none).

7. Income from shares in group undertakings

	2018	2017
	£'000	£'000
Stonehage Fleming Investment Management (Guernsey) Limited	117	159
	117	**159**

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8. Tax on profit on ordinary activities

	2018 £'000	2017 £'000
Current tax:		
UK Corporation tax on profits of the year	-	-
Tax on profit on ordinary activities	-	-

The tax assessed for the year is lower than (2017: lower) the standard rate of Corporation tax in the UK 19% (2017: 20%).

Factors affecting current and future tax charge

	2018 £'000	2017 £'000
Profit on ordinary activities before taxation	111	153
Profit on ordinary activities before taxation multiplied by the standard rate of Corporation tax in the UK of 19% (2017: 20%)	21	31
Effects of:		
Non-taxable income: profit on sale of subsidiaries	-	-
Surrender of group relief	1	1
Dividends not subject to tax	(22)	(32)
Total tax charge for the year	-	-

9. Dividends

	2018 £'000	2017 £'000
Paid in respect of 2018 £11.50 per £1 share (2017: £299.94 per £1 share)	115	3,000

An interim dividend of £115,000 (2017: £3,000,000) was declared and paid in the year.

10. Investments in group undertakings

Shares in group undertakings	**£'000**	**£'000**
At 1 April 2017/2016	10	10
Disposals	-	-
At 31 March 2018/2017	**10**	**10**

Investments in group undertakings are shown at cost less provision for any impairment. The Company assesses, at each reporting date, whether there is objective evidence that a financial asset or group of financial assets is impaired.

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

Principal subsidiaries
The companies listed below include all those which in the opinion of the Directors, principally affect the result or assets of the Company.

All the companies are wholly owned subsidiary undertakings of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

10. Investments in group undertakings (continued)

Name	Principal activity	Country of incorporation	Country of principal operations
Stonehage Fleming Investment Management (Guernsey) Limited	Asset management	Guernsey	Guernsey

The registered address of Stonehage Fleming Investment Management (Guernsey) Limited is 11 New Street, St Peter Port, Guernsey, GY1 2PF.

11. Trade and other receivables

	2018 £'000	2017 £'000
Amounts owed by group undertakings	200	-
	200	**-**

None of the above are considered to be impaired.

Amounts owed by group undertakings, being inter-company loans, are unsecured, interest free and have no fixed dates of repayment.

12. Trade and other payables amounts falling due within one year

	2018 £'000	2017 £'000
Amounts owed to group undertakings	6	-
Accruals and deferred income	6	6
	12	**6**

Amounts owed to group undertakings, being inter-company loans, are unsecured, interest free and have no fixed dates of repayment.

13. Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables and cash that derive directly from its operations.

Market risk
Market risk is the risk that the fair value of future cash flows will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. Management does not consider this risk to be a material risk for the business.

Interest rate risk
The Company's cash balances are exposed to interest rate risk arising from changes in interest rates. The Company does not hold significant cash balances. In the event that the Company has any excess cash balances, these would be lent to fellow subsidiaries. Management do not currently operate any hedging policies in respect of this risk. In Management's opinion there are no other significant interest-bearing assets or liabilities.

13. Financial risk management (continued)

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any significant exposure to foreign currencies. The Company reviews its foreign exchange exposures and ensures that these are managed as appropriate.

Management does not consider this risk to be a material risk for the business.

Price risk
The majority of the Company's income arises from profit shares from other Group companies. Such income is not affected by market movements.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade and other receivables) and deposits with banks. The Company monitors its credit exposures and ensures that these are managed as appropriate.

Cash balances within the Company are held with banks with a minimum credit rating of 'A'.

Individual receivables which are known to be uncollectable are written off by reducing the carrying amount directly. The other receivables are assessed collectively to determine whether there is objective evidence that an impairment has been incurred but has not yet been identified. Management considers that there is evidence of impairment if any of the following indicators are present:

- Significant financial difficulties of the debtor
- Default or delays in payment

Liquidity risk
Liquidity risk includes the risk that, as a result of liquidity requirements in the future, the Company will be forced to sell financial assets at a potentially unfavourable value or may be unable to exit these positions at all, or the Company will have insufficient funds to settle a transaction on the due date. The liabilities of the Company are to fellow subsidiaries and are payable on request. These are matched by corresponding debtors. Management believe liquidity risk is mitigated through proper cash flow management and the existence of sufficient liquid reserves.

14. Called up share capital

	2018	2017
Authorised	**£'000**	**£'000**
50,000 (2017: 50,000) ordinary shares of £1 each	50	50
Allotted and fully paid	**£'000**	**£'000**
Ordinary shares of £1 each		
At 31 March 2018 – 10,002 (2017: 10,002)	10	10

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

15. Capital Structure

The Company's objectives when managing capital remain unchanged and are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- maintain an optimal capital structure and;
- ensure compliance with applicable capital requirements and regulations.

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 or sell assets to reduce liabilities.
The Company considers its capital to be its total equity as shown on the Statement of Financial Position.

16. Contingencies

The Company can from time to time be party to legal and other claims in the ordinary course of its business. The Directors assess all claims carefully and make provision and/or disclosure as appropriate. In the Directors' opinion no provisions or disclosures are necessary in these financial statements (2017: none).

17. Related party transactions

The table below sets out the amounts payable, amounts receivable and balance due to or payable by the Company in respect of all related party transactions.

		Income from related parties £'000	Dividends paid to related parties £'000	Amounts owed by related parties * £'000	Provisions and amounts owed to related parties * £'000
Parent Company	2018	-	115	-	-
	2017	-	3,000	-	-
Entities with significant influence over the entity**	2018	-	-	200	-
	2017	-	-	-	-
Direct subsidiaries	2018	117	-	-	-
Direct subsidiaries	2017	159	-	-	-
Other group entities	2018	-	-	-	6
Other group entities	2017	-	-	-	-
Key management personnel of the Company or its Parent	2018	-	-	-	-
	2017	-	-	-	-

* These amounts are classified as trade receivables and trade payables, respectively (see Notes 11 and 12).

** Entities with significant influence over the Company are considered to be entities that control the Parent Company either directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

18. Ultimate parent undertaking

The immediate parent undertaking and controlling party of the Company is Stonehage Fleming (UK) Limited, a company incorporated in England (registered number 4006741). The ultimate parent undertaking and controlling party of the Company is Spes Bona Limited, a company incorporated in the British Virgin Islands with registered address, GTS Chambers, Road Town, Tortola, BVI.

The largest group of undertakings for which group financial statements are drawn up and of which the Company is a member is Stonehage Fleming Family & Partners Limited and the smallest such group of undertakings for which group financial statements are drawn up is Stonehage Fleming (UK) Limited.

19. Events after the reporting period

No events occurred after the reporting period that required adjustment or disclosure in the financial statements.