Company Registration No. 4267521

HUTTON COLLINS & COMPANY LIMITED

Annual Report and Consolidated Financial Statements

For the year ended 31 March 2016

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ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

DIRECTORS AND ADVISERS

DIRECTORS

G Hutton
M Collins
S Greenwald
D Barbour

COMPANY SECRETARY

D Barbour

REGISTERED OFFICE

30-35 Pall Mall
London
SW1Y 4JH

BANKERS

Lloyds Banking Group
25 Gresham Street
London
EC2V 7HN

INDEPENDENT AND STATUTORY AUDITOR

Deloitte LLP
2 New Street Square
London
EC4A 3BZ

DIRECTORS' REPORT

The directors present the annual report and the consolidated financial statements of Hutton Collins & Company Limited (the "company") (company registration no: 4267521) and its subsidiaries (together the "group") for the year ended 31 March 2016.

The directors report has been produced in accordance with the provisions applicable to small companies and as such, no separate strategic report is produced.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the group is to act as an investment manager for discretionary mezzanine and preferred capital funds. The principal trading company of the group is Hutton Collins & Company Limited, a company regulated by the Financial Conduct Authority and incorporated in the United Kingdom.

The subsidiaries and associated undertakings principally affecting the profit and net assets of the group in the year are listed in note 6 to the financial statements.

In relation to Hutton Collins Mezzanine Partners LP ("Fund I" or the "Fund") two investments remain in the portfolio. The main focus is to realise these investments when opportunities to do so become available.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group's activities expose it to a number of financial risks including cash flow risk and credit risk. The use of financial derivatives is governed by policies approved by the board of directors and derivative financial instruments are not used for speculative purposes.

Foreign currency risk
The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The group uses foreign exchange forward contracts to hedge these exposures if significant. Euro management fee income is sold for sterling to ensure that the company can meet its sterling liabilities.

Credit risk
The group's principal financial assets are bank balances and trade and other receivables.

The group's credit risk is primarily attributable to its trade and other receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables if any. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk in relation to fund management fees is significantly mitigated because the counterparties are global institutions with established records of investing in private equity and have substantial funds under management.

The group has no significant concentration of credit risk, with exposure spread over a wide number of counterparties and customers.

ENVIRONMENT

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates within the group's Corporate Social Responsibility statement. Initiatives designed to minimise the group's impact on the environment include recycling and reducing energy consumption.

RESULTS

The group made a profit after tax for the year of £67,468 (2015 loss: £77,859).

DIRECTORS' REPORT (continued)

DIVIDEND

The dividends recognised in the accounts for the year ended 31 March 2016 in respect of ordinary shares totalled £nil (2015: £811,472) and in respect of preference shares totalled nil (2015: £1,625).

GOING CONCERN

As stated in note 1 to the financial statements, the group meets its working capital requirements through receipt of a profit share from Hutton Collins Partners LLP. Furthermore, the Board of Directors has reviewed the cash flow and projected income and expenses over the next twelve months and deemed that the group has adequate financial resources to meet its obligations. For this reason, the directors considered it appropriate for the company to be deemed a going concern and accordingly, the financial statements have been prepared on this basis.

DIRECTORS

The directors who served during the year were as follows:

G Hutton
M Collins
S Greenwald
D Barbour

AUDITOR

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

1. so far as the director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
2. the director 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 Group's auditor is aware of that information.

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

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board by:

Matthew Collins

Director

9th July 2016

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the consolidated 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 consolidated 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, group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- select suitable accounting policies and then apply them consistently;
- 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 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 group, 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.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF HUTTON COLLINS & COMPANY LIMITED (continued)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUTTON COLLINS & COMPANY LIMITED

We have audited the financial statements of Hutton Collins & Company Limited for the year ended 31 March 2016 which comprise the Statement of Consolidated Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes 1 to 17. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 auditor

As explained more fully in the Directors' Responsibilities Statement, 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.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF HUTTON COLLINS & COMPANY LIMITED (continued)

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;
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the Small Companies exemption from preparing a Strategic report.

Calum Thomson (Senior statutory auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

London, UK

8th July 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2016

	Notes	31 March 2016 £	31 March 2015 £
Turnover	2	7,650	3,825
Administrative expenses		(3,692)	124,622
OPERATING PROFIT	4	3,958	128,447
Other interest receivable and similar income		144	303
Realised foreign exchange gain		1,313	4,214
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		5,415	132,964
Tax on profit on ordinary activities	5	62,053	(210,823)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		67,468	(77,859)

All activities derive from continuing operations.

There are no recognised gains or losses for the current year or prior year other than the profit (2015: loss) disclosed in the profit and loss account. Accordingly, no separate statement of changes in equity is presented.

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

CONSOLIDATED BALANCE SHEET
As at 31 March 2016

	Notes	31 March 2016 £	31 March 2015 £
FIXED ASSETS			
Investment in associate	6	6,250	6,250
CURRENT ASSETS			
Debtors	7	330,724	297,256
Cash at bank	12	12,832	93,685
		343,556	390,941
CREDITORS: amounts falling due within one year	8	(276,643)	(361,776)
NET CURRENT ASSETS / (LIABILITIES)		66,913	29,165
TOTAL ASSETS LESS CURRENT LIABILITIES		73,163	35,415
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	9	-	(29,720)
NET ASSETS		73,163	5,695
CAPITAL AND RESERVES			
Called up share capital	10	25,100	25,100
Profit and loss account		48,063	(19,405)
TOTAL SHAREHOLDERS' FUNDS	13	73,163	5,695

The financial statements of Hutton Collins & Company Limited, registration number 4267521, were approved and authorised for issue by the Board of Directors on 8th July 2016.

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

Signed on behalf of the Board of Directors by:

Dominic Barbour

Director

COMPANY BALANCE SHEET
As at 31 March 2016

	Notes	31 March 2016 £	31 March 2015 £
FIXED ASSETS			
Investments	6	6,253	6,253
CURRENT ASSETS			
Debtors	7	482,515	300,508
Cash at bank		11,652	92,802
		494,167	393,310
CREDITORS: amounts falling due within one year	8	(478,613)	(384,771)
NET CURRENT ASSETS		15,554	8,539
TOTAL ASSETS LESS CURRENT LIABILITIES		21,807	14,792
NET (LIABILTIES) / ASSETS		21,807	14,792
CAPITAL AND RESERVES			
Called up share capital	10	25,100	25,100
Profit and loss account		(3,293)	(10,308)
TOTAL SHAREHOLDERS' FUNDS		21,807	14,792

The financial statements of Hutton Collins & Company Limited, registration number 4267521, were approved and authorised for issue by the Board of Directors on 8th July 2016.

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

Signed on behalf of the Board of Directors by:

Dominic Barbour

Director

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 March 2016

	Notes	31 March 2016 £	31 March 2015 £
Net cash inflow from operating activities	11	110,373	127,777
Cash flows from investing activities			
Interest received		144	303
Realisation of investments		-	910,493
Net cash flows from investing activities		144	910,796
Cash flows from financing activities			
Corporation tax paid		(191,370)	(158,370)
Dividends receivable by members from subsidiary interests		-	(813,097)
Net cash flows from financing activities		(191,370)	(971,467)
Net (decrease) / increase in cash at bank		(80,853)	67,106
Cash at the beginning of the year		93,685	26,579
Net (decrease) / increase in cash at bank		(80,853)	67,106
Cash at the end of the year		12,832	93,685

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
For the year ended 31 March 2016

1. ACCOUNTING POLICIES

Basis of accounting

Hutton Collins and Company Limited ("HCCL") is incorporated in the United Kingdom. The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The impact of the transition to FRS 102 is shown in Note 17. A summary of the principal accounting policies adopted is provided below. They have been applied consistently throughout the current year and the preceding year. The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Accounting convention

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value in accordance with FRS 102.

Basis of consolidation

The group financial statements incorporate a consolidation of the financial statements of the LLP and its subsidiary undertakings drawn up to 31 March each year. Hutton Collins & Company Limited has been included in the consolidation because of the voting rights associated with the LLP's ownership of a C ordinary share. This is the first year in which the financial statements have been prepared under FRS 102.

For the year ending 31 March 2016 the following subsidiaries of the partnership were entitled to exemption from audit under section 479A of the Companies Act 2000 relating to subsidiary companies:

Subsidiary name	Companies House Registration Number
Hutton Collins Mezzanine GP Limited	4267674
Hutton Collins CIP Limited	SC257172
Hutton Collins GP II Limited	SC292122
Hutton Collins (2014) Limited	9312995

Going concern

As highlighted in the turnover accounting policy note below, the group meets its working capital requirements through receipt of fund management fees based on the level of commitments of each partner in the Funds. The group's business activities, together with the financial risk management objectives and policies, performance and position are set out in the Business Review which forms part of the members' report.

The Management Committee has reviewed the cash flow and projected income and expenses over the next twelve months and deemed that the group has adequate financial resources to meet its obligations. On this basis it is therefore appropriate that the group be deemed a going concern and accordingly the financial statements have been prepared on this basis.

Turnover

Turnover comprises fund management and other fees which are included in the consolidated profit and loss account and are shown exclusive of value added tax. The turnover and pre-tax profit, all of which arises in the United Kingdom, is attributable to one activity, investment management. Income is recognised on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
For the year ended 31 March 2016

1. **ACCOUNTING POLICIES (continued)**

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and provision for any impairment.

Depreciation is provided on the cost or valuation of the tangible fixed assets so as to write off their cost or valuation over the useful economic lives of the assets on a straight-line basis. The annual rates of depreciation are as follows:

Short-term leasehold improvements	Over the term of the lease
Fixtures and fittings	20% per annum
Computer equipment	33% per annum

Leases

Operating lease rentals are charged to the consolidated profit and loss account in equal annual amounts over the lease term.

Pension costs

The group makes monthly contributions to defined contribution schemes and has no commitment beyond the payment of these contributions. These costs are charged to the consolidated profit and loss account in the period to which they relate.

Investments

Investments are subsidiary undertakings and recognised at costs less provisions for impairments.

Administration expenses

Administration expenses are recognised in the Consolidated profit and loss account under the accrual basis.

Taxation

The taxation payable on the LLP's profits is the liability of the members and is not dealt with in these financial statements.

In respect of the statutory subsidiaries, current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Foreign currency

Transactions denominated in foreign currencies are translated into sterling at the rate ruling at the dates of the transactions unless matching forward foreign exchange contracts have been entered into, in which case the rate specified in the relevant contract is used. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling on that date. All exchange rate differences are included in the consolidated statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
For the year ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

Derivative financial instruments

The Group uses derivative financial instruments to reduce its exposure to fluctuations in the value of the euro currency arising on future anticipated income. Changes in the fair value of instruments used as hedges are not recognised in the financial statements until the hedge position matures. The Group does not hold or issue derivative financial instruments for speculative purposes.

Members' remuneration

A division of profits that is discretionary on the part of the LLP is recognised as an appropriation of equity when the division occurs.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into in accordance with FRS 102. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Critical Accounting Judgements and Key Sources of Uncertainty Estimation

Due to the nature of the company's business and having considered the key sources of income and expenditure, balance sheet items and the Group's accounting policies, the directors do not believe there are any critical accounting judgements or key sources of estimation uncertainty.

2. TURNOVER

	31 March 2016 £	31 March 2015 £
From related parties	-	-
From third parties	7,650	3,825
	7,650	3,825

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The company did not employ any staff during the year and none of the directors received any emoluments in respect of their services to the company (2015: £nil).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
For the year ended 31 March 2016

4. OPERATING PROFIT / (LOSS)

	31 March 2016 £	31 March 2015 £
Operating profit / (loss) is after charging:		
Foreign exchange (losses) / gains	(1,313)	(4,214)
Auditor's remuneration		
- audit fees	-	3,961
- non-audit services	-	14,600

The analysis of auditor's remuneration is as follows:

	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	-	9,136
The audit of the company's subsidiaries pursuant to legislation	-	(5,175)
Total audit fees	-	3,961
Tax services	-	14,600
Total non-audit services	-	14,600

The disclosures above are for the group. The company is not required, in its individual financial statements, to disclose separately information about fees for non-audit services provided to the company because the consolidated financial statements are required to disclose such fees on a consolidated basis.

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises:	31 March 2016 £	31 March 2015 £
Current tax:		
UK corporation tax credit / (charge) for the period	-	9,855
Prior year adjustment	32,333	(190,958)
UK corporation tax charge for the period	32,333	(181,103)
Deferred tax (see Note 9):		
Current year	29,720	(29,720)
Tax on profit on ordinary activities	62,053	(210,823)

The tax assessed for the period is lower (2015: higher) than the standard rate of corporation tax in the UK of 20% (2015: 21%). This is for the reasons set out in the following reconciliation:

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
For the year ended 31 March 2016

5. TAX ON PROFIT ON ORDINARY ACTIVITIES (cont'd)

	31 March 2016 £	31 March 2015 £
Profit on ordinary activities before tax	5,415	132,964
Tax thereon at 20% (2015: 21%)	(1,084)	(27,923)
Effects of:		
Expenses not deductible for tax purposes	(71)	(2)
Income not yet taxable	124,141	50,114
Indexation allowance	-	-
Tax losses created in the current year	(122,986)	(12,334)
Prior year adjustment	32,333	(190,958)
Deferred tax adjustment	29,720	(29,720)
Current tax credit / (charge) for the year	62,053	(210,823)

6. INVESTMENTS

	Group Investment in associate		Company Investment in associate		Company Investment in unlisted subsidiary undertakings	
	31 March 2016 £	31 March 2015 £	31 March 2016 £	31 March 2015 £	31 March 2016 £	31 March 2015 £
Opening balance	6,250	916,743	6,250	6,250	3	3
Realisation of investment		(910,493)	-		-	-
Share of retained profit for the year	-	-	-		-	-
Closing balance	6,250	6,250	6,250	6,250	3	3

The investments at 31 March 2015 are:

	Principal activity	%	Holding	Country of incorporation
Subsidiaries:				
Hutton Collins Mezzanine GP Limited	General Partner	100	Ordinary shares	UK
Hutton Collins CIP Limited	Carried Interest Partner	100	Ordinary shares	UK
Hutton Collins GP II Limited	General Partner	100	Ordinary shares	UK
Associates:				
Hutton Collins Partners LLP	Investment Manager	25	Ordinary shares	UK

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
For the year ended 31 March 2016

7. DEBTORS

	Group 31 March 2016 £	Company 31 March 2016 £	Group 31 March 2015 £	Company 31 March 2015 £
Trade debtors	-	-	-	-
Recoverable accounts	90,318	90,318	73,553	73,553
Amounts owed by group undertakings	-	336,598	-	154,439
Amounts owed by related companies	192,336	41,913	196,011	35,306
Other debtors	3,784	2,544	26,020	24,780
Prepayments and accrued income	1,751	349	1,672	270
Corporation Tax	42,535	10,793	-	12,160
	330,724	482,515	297,256	300,508

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 31 March 2016 £	Company 31 March 2016 £	Group 31 March 2015 £	Company 31 March 2015 £
Group relief	-	201,971	-	201,971
Corporation tax	-	-	178,976	-
Amounts owed to group undertakings	-	-	-	-
Amounts due to related companies	276,643	276,642	119,092	119,092
Accruals and deferred income	-	-	62,083	62,083
Dividend	-	-	1,625	1,625
	276,643	478,613	361,776	384,771

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
For the year ended 31 March 2016

9. DEFERRED TAXATION

Movement on deferred tax balance in the year	**Group 31 March 2016 £**	**Company 31 March 2016 £**	**Group 31 March 2015 £**	**Company 31 March 2015 £**
Opening balance	29,720	-	-	-
(Credit) / charge to the profit and loss account	(29,720)	-	29,720	-
Closing balance	-	-	29,270	-

Analysis of deferred tax balance	**Group 31 March 2016 £**	**Company 31 March 2016 £**	**Group 31 March 2015 £**	**Company 31 March 2015 £**
Income not yet taxable	(164,801)	-	47,728	-
Tax losses	164,801	-	(18,008)	-
	-	-	29,720	-

The group has not recognised a deferred tax asset in respect of tax losses carried forward due to there being insufficient evidence of sufficient, appropriate, profits arising in the future to utilise these losses. The amount of the unrecognised deferred tax asset is £91,434 (2015: £nil).

10. CALLED UP SHARE CAPITAL

	31 March 2016 £	**31 March 2015 £**
Authorised		
1,250 A ordinary shares of 2p each	25	25
3,750 B ordinary shares of 2p each	75	75
1,000 C ordinary shares of 2p each	20	20
A Non-cumulative redeemable preference shares of £1 each	340,000	340,000
B Non-cumulative redeemable preference shares of £1 each	160,000	160,000
	500,120	500,120

Called up, allotted and fully paid	**£**	**£**
1,250 A ordinary shares of 2p each	25	25
3,750 B ordinary shares of 2p each	75	75
1 C ordinary share of 2p	-	-
25,000 B non-cumulative redeemable preference shares of £1 each	25,000	25,000
	25,100	25,100

The A and B ordinary shares rank pari passu. The C ordinary share has a voting right but no other economic rights.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
For the year ended 31 March 2016

10. CALLED UP SHARE CAPITAL (CONT'D)

The B non-cumulative preference shares may be redeemed at par at any time at the option of the company. These shares attract an annual non-cumulative preference dividend of 6.5%. The preference shares carry no voting rights.

11. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 March 2016 £	31 March 2015 £
Operating profit	3,958	132,661
Deferred tax adjustment	(29,720)	-
Realised foreign exchange translation gain /(loss)	1,313	-
(Increase) / decrease in debtors	(33,469)	63,501
Increase / (decrease) in creditors	138,004	(68,385)
Dividend write back	(1,625)	-
Corporation tax receivable	31,912	-
Cash inflow from operating activities	110,373	127,777

12. ANALYSIS OF CHANGES IN NET FUNDS

	1 April 2015 £	Cash flows £	31 March 2016 £
Cash at bank	93,685	(80,853)	12,832

13. RECONCILIATION OF MOVEMENT IN GROUP'S SHAREHOLDERS' FUNDS

	31 March 2016 £	31 March 2015 £
Profit / (Loss) on ordinary activities after taxation for the year	67,468	(77,859)
Preference share dividend	-	(1,625)
Ordinary share dividend	-	(811,472)
Net increase / (decrease) pin shareholders' funds	67,468	(890,956)
Opening shareholders' funds	5,695	896,651
Closing shareholders' funds	73,163	5,695

14. PROFIT AND LOSS ACCOUNT

The loss for the financial period attributable to the parent company is £7,015 (2015 loss: £38,572). In accordance with Section 408 of the Companies Act 2006, Hutton Collins & Company Limited is exempt from the requirement to present its own profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
For the year ended 31 March 2016

15. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under FRS 102: Section 33 related parties not to disclose transactions or balances between group entities that have been eliminated on consolidation between entities 100% controlled by Hutton Collins & Company Limited.

There are no other related party transactions which require disclosure.

The ultimate controlling party is Hutton Collins Partners LLP, which prepares consolidated financial statements. Copies of the group financial statements are available from Companies House, Crown Way, Cardiff CF14 3UZ.

16. EVENTS AFTER THE BALANCE SHEET DATE

On 30 June 2016 a final ordinary dividend of £nil (2015: £811,472) on the ordinary shares in relation to the year ended 31 March 2016 was declared.

17. EXPLANATION OF TRANSITION TO FRS 102

This is the first year that the company has presented its financial statements under FRS 102 issued by the Financial Reporting Council. As a consequence of adopting FRS 102, pan accounting policy has been added, namely that on critical accounting judgements and key sources of uncertainty estimation. There have also been presentational changes to a number of the primary statements