

Registered Number 04473550

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED
DIRECTORS' REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

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LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

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LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

DIRECTORS AND PRINCIPAL ADVISERS

Directors	Christopher Coleman	
	Peter Griggs	
	Ian Walker	
	John King	
	Rosalyn Harper	
	Simon Osmond	
	Simon Smethurst	
	Paul Wardle	(Resigned: 30 April 2015)
	John Peter Wainwright	(Resigned: 30 April 2015)

Secretary	N M Rothschild & Sons Limited
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Auditor	KPMG LLP 1 St Peter's Square Manchester M2 3AE
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Bankers	Royal Bank of Scotland plc Wilmslow Branch 27 Water Lane Wilmslow SK9 5AB
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Registered Office	New Court St. Swithin's Lane London EC4N 8AL
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Registered Number	04473550
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LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

DIRECTORS' REPORT

31 MARCH 2015 FINANCIAL STATEMENTS

The Directors present their report and the audited financial statements for the year ended 31 March 2015. These accounts are prepared in accordance with applicable United Kingdom law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of Lanebridge Investment Management Limited (the 'Company') continues to be that of a real estate adviser. The Directors do not envisage any change in the principal activity of the Company going forward.

The Company is a wholly owned subsidiary of Lanebridge Holdings Limited.

The Company has adopted the provisions of Section 415A Companies Act 2006 and taken the exemption from the requirement to include a detailed business review within the financial statements.

RISK MANAGEMENT

The activities of the Company are overseen by the Board of Directors. The Board meet regularly to review all risk and compliance issues affecting the Group Companies.

The key risks of the Company and the Company's risk management policies are considered in Note 15.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £394,440 (2014: £208,198 profit).

The Directors do not recommend the payment of a dividend (2014: £Nil).

GOING CONCERN

The Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future and consequently the going concern basis continues to be appropriate in preparing the financial statements.

TRADE RECEIVABLES AND ACCRUED INCOME

As detailed in note 9 to the financial statements, trade receivables and accrued income includes aggregate fees of £928,019 owing to the Company from a fund to which the Company provides advice. The fund is undergoing a restructuring, which includes the raising of new loans from existing investors, which has not been completed as at the date of approval of the Company's financial statements.

The directors have reviewed a forecast which represents the best expectations of the Company's future results. The Company's forecast is influenced by the performance of the underlying funds to which it advises. The Company's forecast, and the assessment of the recoverability of the trade receivables and accrued income, has been prepared on the assumption that the restructuring of the fund is successful, which the directors reasonably anticipate will complete during the second half of 2015. The Company's financial statements do not include any adjustments which would be necessary should the restructuring not take place.

SUPPLIER PAYMENT POLICY

The Company does not follow any code or standard payment practice. The Company's policy is to agree the terms of payment with key suppliers. For all other suppliers, terms are agreed for each transaction. The Company endeavours to abide by the terms of payment with suppliers.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

DIRECTORS' REPORT (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

DIRECTORS

The Directors who held office during the year were as follows:

Christopher Coleman

Peter Griggs

Ian Walker

John King

Rosalyn Harper

Simon Osmond

Simon Smethurst

Paul Wardle (Resigned: 30 April 2015)

John Peter Wainwright (Resigned: 30 April 2015)

Reference to Directors' emoluments is included within Note 4.

EMPLOYEES

It is Company policy that employees should be kept as fully informed regarding the Company as is feasible and practicable through regular communication between management and staff.

The Company gives full and fair consideration to all disabled people who apply for employment.

The Board of Directors wishes to express its appreciation to all the staff for the efforts they have made during the last year.

POLITICAL AND CHARITABLE DONATIONS

The Company made no political or charitable donations during the year (2014 charitable donations: £100).


DISCLOSURE OF INFORMATION TO AUDITOR

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

The Board appointed KPMG LLP as auditor of the Company. Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to have been re-appointed and KPMG LLP will therefore continue in office.

BY ORDER OF THE BOARD


Ian Walker
Director

New Court
St. Swithin's Lane
London
EC4N 8AL

Date : 10 July 2015

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

31 MARCH 2015 FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; 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 enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

31 MARCH 2015 FINANCIAL STATEMENTS

We have audited the financial statements of Lanebridge Investment Management Limited (the 'Company') for the year ended 31 March 2015 set out on pages 7 to 24. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Trade receivables and accrued income

In forming our opinion, which is not modified, we have considered the adequacy of the disclosures made in note 9 in relation to the uncertainty regarding the recoverability of certain trade receivables and accrued income. The recoverability of these balances is dependent upon the successful completion of a restructuring of the fund to which they relate. These financial statements do not include the adjustments that would result if the proposed restructuring does not take place.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANEBRIDGE INVESTMENT MANAGEMENT LIMITED (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

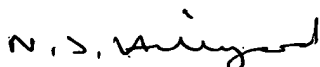
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



James Hillyard (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

Date: 13 July 2015

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

INCOME STATEMENT

31 MARCH 2015 FINANCIAL STATEMENTS

For the year ended 31 March 2015

		Year ended 31 March 2015 £	Year ended 31 March 2014 £
	Note		
Revenue	1	503,285	1,056,094
Administrative expenses		(897,195)	(897,836)
Operating (loss) / profit	4	(393,910)	158,258
Financing income / (expense)	5	168	(12,566)
Net financial income / (expense)		168	(12,566)
(Loss) / profit before tax		(393,742)	145,692
Income tax (expense) / credit	6	(698)	62,506
(Loss) / profit for the year	13	(394,440)	208,198

The notes and information on pages 11 to 24 are an integral part of these financial statements.

There were no other components of recognised income or expense in either year. Consequently no Statement of Comprehensive Income has been presented.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

BALANCE SHEET

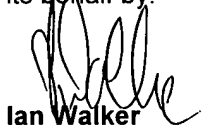
31 MARCH 2015 FINANCIAL STATEMENTS

As at 31 March 2015

	Note	31 March 2015 £	31 March 2014 £
Assets			
Non-current assets			
Property, plant and equipment	7	3,887	6,042
Investments in subsidiaries	8	1	2
Trade and other receivables	9	60,332	-
Prepayments and accrued income	9	556,406	401,983
Deferred tax asset	12	3,466	4,164
Current assets			
<i>Financial assets</i>			
Trade and other receivables	9	309,897	339,107
Cash and cash equivalents	10	107,822	462,638
<i>Non-financial assets</i>			
Trade and other receivables	9	259,740	271,036
Total assets		<u>1,301,551</u>	<u>1,484,972</u>
Liabilities			
Current liabilities			
<i>Financial liabilities</i>			
Trade and other payables	11	259,522	98,056
<i>Non-financial liabilities</i>			
Trade and other payables	11	173,949	124,396
Total liabilities		<u>433,471</u>	<u>222,452</u>
Net assets		<u>868,080</u>	<u>1,262,520</u>
Capital and reserves			
Equity			
Issued share capital	13.2	10,000	10,000
Retained earnings	13.1	858,080	1,252,520
Total equity		<u>868,080</u>	<u>1,262,520</u>

The notes and information on pages 11 to 24 are an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 10 July 2015 and were signed on its behalf by:



Ian Walker

Director

Company Registered Number: 04473550

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

STATEMENT OF CHANGES IN EQUITY

31 MARCH 2015 FINANCIAL STATEMENTS

For the year ended 31 March 2015

	Share capital £	Retained earnings £	Total equity £
Balance at 1 April 2013	10,000	1,044,322	1,054,322
Total comprehensive income for the year			
Profit for the financial year	-	208,198	208,198
Total comprehensive income for the year	-	208,198	208,198
Balance at 31 March 2014	10,000	1,252,520	1,262,520

	Share capital £	Retained earnings £	Total equity £
Balance at 1 April 2014	10,000	1,252,520	1,262,520
Total comprehensive income for the year			
Loss for the financial year	-	(394,440)	(394,440)
Total comprehensive income for the year	-	(394,440)	(394,440)
Balance at 31 March 2015	10,000	858,080	868,080

The notes and information on pages 11 to 24 are an integral part of these financial statements.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

STATEMENT OF CASH FLOWS

31 MARCH 2015 FINANCIAL STATEMENTS

For the year ended 31 March 2015

	Note	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Cash flows generated from operating activities			
(Loss) / Profit before tax		(393,742)	145,692
<i>Adjustments for:</i>			
Financing income		(168)	12,566
Available-for-sale financial asset loss on disposal		-	7,999
Profit on disposal of tangible fixed assets		-	(412)
Depreciation	7	2,155	3,262
Income tax paid		-	(132,677)
Impairment of subsidiary investments		-	24,999
Operating (loss) / profit before changes in working capital		(391,755)	61,429
<i>Changes in working capital</i>			
Increase in trade and other receivables		(181,371)	(320,209)
Increase in trade and other payables		76,114	5,475
Net Cash generated within operating activities		<u>(497,012)</u>	<u>(253,305)</u>
Cash flows from investing activities			
Sale of property, plant and equipment	7	-	8,400
Interest received		168	171
Disposal of available-for-sale financial asset		-	77,001
Net cash generated within investing activities		<u>168</u>	<u>85,572</u>
Cash flows from financing activities			
Loan provided from parent company		142,028	77,515
Net cash generated within financing activities		<u>142,028</u>	<u>77,515</u>
Net decrease in cash and cash equivalents		(354,816)	(90,218)
Cash and cash equivalents at the start of the year		462,638	552,856
Cash and cash equivalents at the end of the year	10	<u>107,822</u>	<u>462,638</u>

The notes and information on pages 11 to 24 are an integral part of these financial statements.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2015 FINANCIAL STATEMENTS

1. Significant accounting policies

The financial statements comprise the results of Lanebridge Investment Management Limited (the 'Company'). The Company is a limited liability company incorporated and domiciled in the UK.

The financial statements were authorised for issue by the Board of Directors on 10 July 2015.

(a) Statement of compliance

The financial statements have been prepared in accordance with IFRSs as adopted by the EU, IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS, in so far as they are considered appropriate to the Company's circumstances. The effect of non-compliance or the effect of IFRSs not yet effective and adopted would not have a material effect on the results within the Company's financial statements.

(b) Basis of preparation

The financial statements have been prepared on the historical cost basis, unless stated otherwise.

The financial statements are presented in Sterling, rounded to the nearest pound.

The financial statements present information about the Company as an individual undertaking and not about its group. In accordance with Section 400 of the Companies Act 2006, consolidation of subsidiaries has not been undertaken since the Company forms part of NM Rothschild & Sons Limited, which prepares a group set of consolidated financial statements under IFRS.

Non-current assets are stated at the lower of carrying amount and fair value less costs to sell.

The preparation of financial statements in conformity with IFRSs as adopted by the EU requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Going Concern

The Directors regularly review the Company's financial resources and forecasts. The Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future and consequently the going concern basis is appropriate in preparing the financial statements.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

1. Significant accounting policies (continued)

(c) Investment in subsidiaries

Subsidiaries are entities that are directly or indirectly controlled by the Group. Control exists where the Group has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investment in the Company's subsidiaries has been initially accounted for at cost and subsequently at cost less accumulated impairment, as shown in note 8.

(d) Property, plant and equipment

Property, plant and equipment are recognised initially at their cost. After recognition as an asset, these assets are carried forward at their cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is computed by allocating the depreciable amount of an asset on a systematic basis over its useful life and is applied separately to each identifiable component.

The following bases and rates are used to depreciate classes of assets per annum:

Leasehold improvements	-	10% Straight line
Computer equipment	-	50% Straight line
Fixtures, fittings and equipment	-	20% Straight line
Motor vehicles	-	25% Reducing balance

(e) Trade and other receivables

Trade and other receivables are recognised initially at cost. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

(f) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in the active market and the Company does not intend to sell immediately or in the near future. These are initially measured at fair value plus transaction costs that are directly attributable to the financial asset.

Subsequent measurement is at amortised cost using the effective interest rate method, less any impairment losses.

(g) Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(h) Cash and cash equivalents

Cash and short-term deposits in the balance sheet and for the purpose of the cashflow statement comprise cash at banks and at hand and short term deposits with an original maturity of three months or less.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

1. Significant accounting policies (continued)

(i) Impairment

The carrying amounts of the Company's assets and deferred tax assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

(j) Dividends

Dividends, where applicable, are recognised within the reconciliation of movement in capital and reserves in the period in which they are paid (see note 13).

(k) Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(l) Revenue recognition

In respect of each income stream and property fund under management, an Advisory agreement or Deed is in place with the Company which governs the principal sources of income, primarily in respect of management fees, acquisition fees and disposal fees.

Unless subsequently documented to the contrary as part of a fund restructuring, the fees are recognised on an accruals basis in line with the contracted rate and terms included within the advisory contract.

Interest receivable is recognised on an accruals basis up to the balance sheet date.

(m) Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

(n) Financial assets and liabilities

All financial assets are initially measured at fair value plus transaction costs which are directly attributable to their acquisition.

Financial liabilities are measured initially at fair value plus any directly attributable transaction costs.

All financial assets and financial liabilities are reviewed on a monthly basis by the directors and fair value adjustments are made, where appropriate, to the carrying values within the financial statements.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

1. Significant accounting policies (continued)

(o) Income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except to the extent that the directors do not anticipate that the timing differences will crystallise in the foreseeable future.

Deferred tax is determined using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date and which are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which differences can be utilised. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain.

Information on the calculation of income tax for the period is included in note 6.

(p) Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term, in accordance with the underlying lease agreement.

q) Pensions

The pension costs charged in the financial statements represent the defined contributions payable by the Company during the period, in accordance with IAS 19.

2. Critical accounting judgements and sources of estimation uncertainty

The Company makes estimates and judgements that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and are continually evaluated.

3. Segmental information

In accordance with IFRS 8, the Company has taken the exemption not to disclose any Segmental Reporting information since it does not have any listed debt or equity.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

4. Operating (loss) / profit

The operating (loss) / profit is stated after charging / (crediting):

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Directors' emoluments	146,543	150,147
Administrative wages and salaries	158,724	141,806
Compulsory social security contributions	34,779	26,453
Contribution to defined contribution pension plans	51,804	48,301
Loss on disposal of available-for-sale financial asset	-	7,999
Profit on disposal of tangible fixed assets	-	(412)
Depreciation of tangible fixed assets	2,155	3,262
Impairment of subsidiary investments	-	24,999
Auditor's remuneration - Audit services	<u>10,200</u>	<u>9,500</u>
Average staff numbers:		
Directors	9	9
Employees	<u>3</u>	<u>3</u>
	<u>12</u>	<u>12</u>

Certain directors are directors of other group companies and receive remuneration through other group companies.

5. Financing

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Financing Income / (Expense)		
Interest receivable	168	171
Deficit attributable to available-for-sale financial asset	-	(12,737)
	<u>168</u>	<u>(12,566)</u>

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

6. Income tax (expense) / credit

Recognised in the income statement

		Year ended 31 March 2015 £	Year ended 31 March 2014 £
	Note		
Current tax:			
Corporation tax charge at a rate of 21% (2014: 23%)		-	-
Adjustment for prior year		-	66,600
Deferred tax:			
Deferred tax expense for the year at a rate of 20% (2014: 21%)	12	(698)	(4,094)
Total income tax (expense) / credit in the income statement		(698)	62,506

Reconciliation of effective tax rate

	2015 £	2014 £
(Loss) / Profit before taxation	(393,742)	145,692
(Loss) / Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 21% (2014: 23%)	(82,686)	33,509

The differences are explained below:

Expenses not deductible for tax purposes	155	12,448
Capital allowances in excess of depreciation	(525)	(3,737)
Impact of change in corporation tax rate and movement in accelerated capital allowances	698	4,094
Adjustment in respect of prior period	-	(66,600)
Group relief	83,056	(42,220)
	83,384	(96,015)
Total income tax (expense) / credit in the income statement	(698)	62,506

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and to 20% (effective 1 April 2015) were substantively enacted on 2 July 2013.

The deferred tax asset at 31 March 2015, as detailed in note 12, has been calculated based on the rate of 20% (2014: 21%).

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

7. Property, plant and equipment

	Leasehold improvements £	Computer equipment £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost					
At 1 April 2013	40,823	51,810	27,243	70,515	190,391
Disposals	-	-	-	(38,321)	(38,321)
At 31 March 2014	40,823	51,810	27,243	32,194	152,070
Accumulated depreciation					
At 1 April 2013	40,823	51,810	24,834	55,632	173,099
Disposals	-	-	-	(30,333)	(30,333)
Charge for the year	-	-	1,278	1,984	3,262
At 31 March 2014	40,823	51,810	26,112	27,283	146,028
Net book value					
At 31 March 2013	-	-	2,409	14,883	17,292
At 31 March 2014	-	-	1,131	4,911	6,042
	Leasehold improvements £	Computer equipment £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost					
At 1 April 2014	40,823	51,810	27,243	32,194	152,070
At 31 March 2015	40,823	51,810	27,243	32,194	152,070
Accumulated depreciation					
At 1 April 2014	40,823	51,810	26,112	27,283	146,028
Charge for the year	-	-	927	1,228	2,155
At 31 March 2015	40,823	51,810	27,039	28,511	148,183
Net book value					
At 31 March 2014	-	-	1,131	4,911	6,042
At 31 March 2015	-	-	204	3,683	3,887

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

8. Investments

	Investment in subsidiaries £
Cost	
At 31 March 2014	25,001
Disposal	(1)
At 31 March 2015	<u>25,000</u>
Impairment	
At 31 March 2014 and 31 March 2015	<u>(24,999)</u>
Net book value	
At 31 March 2014	<u>2</u>
At 31 March 2015	<u>1</u>

<u>Subsidiary</u> <u>Undertakings</u>	<u>Country of</u> <u>Incorporation</u>	<u>Principal</u> <u>Activity</u>	<u>% of equity and</u> <u>votes held</u>
Lanebridge (Arena Plaza) Jersey GP Limited	Jersey	General Partner	100

Shares in subsidiaries are held directly by Lanebridge Investment Management Limited ("LIML").

Subsidiaries have the same accounting reference date as LIML.

Lanebridge Mitre General Partner Limited was a subsidiary of LIML as at 31 March 2014. An application to strike off Lanebridge Mitre General Partner Limited was submitted to Companies House during the year ended 31 March 2015, consequently it is not a subsidiary as at 31 March 2015.

The subsidiaries are the General Partners of Limited Partnerships.

The results of the subsidiaries have not been consolidated into the Company's financial statements due to consolidation taking place within the NM Rothschild & Sons Limited financial statements covering all group companies.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

9. Trade and other receivables

	2015 £	2014 £
<i>Financial assets</i>		
Trade receivables : Non-current asset	60,332	-
Trade receivables : Current asset	300,610	316,088
Amounts due from related parties (see note 17)	-	7,123
Other receivables	9,287	15,896
	<u>370,229</u>	<u>339,107</u>
<i>Non-financial assets</i>		
Prepayments and accrued income: Non-current asset	556,406	401,983
Prepayments and accrued income: Current asset	259,740	271,036
	<u>1,186,375</u>	<u>1,012,126</u>

As detailed in the Directors' Report, trade receivables and accrued income includes aggregate fees of £928,019 owing to the Company from a fund to which the Company provides advice. The fund is undergoing a restructuring, which includes the raising of new loans from existing investors, which has not been completed as at the date of approval of the Company's financial statements.

The directors have reviewed a forecast which represents the best expectations of the Company's future results. The Company's forecast is influenced by the performance of the underlying funds to which it advises. The Company's forecast, and the assessment of the recoverability of the trade receivables and accrued income, has been prepared on the assumption that the restructuring of the fund is successful, which the directors reasonably anticipate will complete during 2015. The Company's financial statements do not include any adjustments which would be necessary should the restructuring not take place.

10. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balances with less than three months maturity at the balance sheet date:

	2015 £	2014 £
<i>Financial assets</i>		
Bank balances	107,822	462,638
Cash and cash equivalents in the statement of cash flows	<u>107,822</u>	<u>462,638</u>

11. Trade and other payables

	2015 £	2014 £
<i>Financial liabilities</i>		
Trade and other payables	80,530	52,129
Amounts due to related parties (see note 17)	170,405	35,500
Other taxes and social security	8,587	10,427
	<u>259,522</u>	<u>98,056</u>
<i>Non-financial liabilities</i>		
Accrued expenses	173,949	124,396
	<u>433,471</u>	<u>222,452</u>

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

12. Deferred tax

	2015 £	2014 £
Recognised deferred tax assets and liabilities		
<i>Non-financial assets</i>		
Deferred tax	3,466	4,164

The movement for the year in the net deferred tax position was as follows:

At 1 April	4,164	8,258
Charge to income for the year	(698)	(4,094)
At 31 March	3,466	4,164

The deferred tax asset comprises:

Accelerated capital allowances	<u>3,466</u>	<u>4,164</u>
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13. Capital and reserves

13.1 Reconciliation of movement in capital and reserves

	Attributable to equity holders Share capital £	Retained earnings £	Total £
Balance at 1 April 2013	10,000	1,044,322	1,054,322
Profit for the year	-	208,198	208,198
Balance at 31 March 2014	10,000	1,252,520	1,262,520

	Attributable to equity holders Share capital £	Retained earnings £	Total £
Balance at 1 April 2014	10,000	1,252,520	1,262,520
Loss for the year	-	(394,440)	(394,440)
Balance at 31 March 2015	10,000	858,080	868,080

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

13. Capital and reserves (Continued)

13.2 Issued share capital

	£1 Ordinary shares	
	2015	2014
	£	£
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

13.3 Dividends

During the year ended 31 March 2015, the Company paid no dividends (2014: £Nil).

14. Financial instruments

Fair values

Management are of the opinion that the fair values at 31 March 2015 and 31 March 2014 equate to their carrying amount.

Accordingly, there are no unrecognised gains or losses arising between the carrying amounts and the fair values.

All financial assets and financial liabilities are reviewed on a monthly basis by the directors and fair value adjustments are made, where appropriate, to the carrying values within the financial statements.

Trade and other receivables/payables

For receivables/payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value.

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

15. Risk management policies

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Company does not require collateral in respect of financial assets.

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Upon reviewing all classes of financial assets of the Company, the gross carrying amounts were found to be neither past due nor impaired.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or a counterparty failing to repay a contractual obligation; or the inability to generate cash inflows as anticipated.

The Company's cash balance is held with the Royal Bank of Scotland Plc and is a liquid holding which can be instantly called to meet the settlement of liabilities. Management does not expect any counterparty to fail to meet its obligations.

The following table shows the gross financial liabilities as at 31 March 2015 analysed by maturity. The total liability is split by maturity in proportion to the contractual cash flows expected to arise during that period.

	Total		Due in less than one month		Due between three months and not later than one year	
	2015	2014	2015	2014	2015	2014
	£	£	£	£	£	£
Trade and other payables	80,530	52,129	80,530	52,129	-	-
Amounts due to related parties	170,405	35,500	-	-	170,405	35,500
Other taxes and social security	8,587	10,427	8,587	10,427	-	-
Note 11	259,522	98,056	89,117	62,556	170,405	35,500

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

15. Risk management policies (Continued)

(c) Market risk

Market risk is the risk of change in the fair value of financial instruments from fluctuation in foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

The Company holds minimal bank balances within foreign currencies and, wherever possible, the Company raises sales invoices in Sterling. Therefore currency risk, arising from fluctuations in foreign exchange rates, is minimised.

There is no exposure to other forms of market risk.

(d) Operational risk

Operational risk is the risk that an entity will encounter loss due to inadequate or failed internal processes, people and systems or from external events. The definition includes legal risk, strategic risk and reputational risk. The major operational risks confronting the Company are systems failure and business administration errors. The Company has implemented controls to ensure that risk is minimised and consistent with providing high levels of customer service.

(e) 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 capital 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 or sell assets to reduce debt.

16. Commitments

Operating lease commitments – Company as lessee

At 31 March 2015, the non-cancellable operating lease rentals are payable as follows:

	2015 £	2014 £
<i>Operating leases which expire:</i>		
Office Premises		
Between two and five years	122,914	150,233
	<u>122,914</u>	<u>150,233</u>

LANEBRIDGE INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015 FINANCIAL STATEMENTS

17. Related party transactions

The Company is a wholly owned subsidiary of Lanebridge Holdings Limited. Lanebridge Holdings Limited is a wholly owned subsidiary of NM Rothschild & Sons Limited.

Both Lanebridge Holdings Limited and NM Rothschild & Sons Limited are companies registered in England and Wales.

The ultimate controlling party is Rothschild Concordia SAS, a company incorporated in France.

The largest group in which the results of the Company are consolidated is that headed by Rothschild Concordia SAS. The smallest group in which they are consolidated is that headed by NM Rothschild & Sons Limited. The accounts are available from the Rothschild web-site at www.rothschild.com

During the period, the Company received professional services from its directors and organisations in which the directors had material interests as follows:

	Services		Outstanding	
	2015	2014	2015	2014
	£	£	£	£
J P Wainwright	<u>12,000</u>	<u>12,000</u>	<u>6,000</u>	<u>6,000</u>

Current financial assets include the following amounts:

	2015	2014
	£	£
Lanebridge Holdings Limited	-	<u>7,123</u>

Current financial liabilities include the following amounts:

	2015	2014
	£	£
Lanebridge Holdings Limited	134,905	-
Lanebridge (Arena Plaza) Jersey GP Limited	25,000	25,000
Lanebridge (Arena Plaza) Jersey Limited Partnership	<u>10,500</u>	<u>10,500</u>
	<u>170,405</u>	<u>35,500</u>

The amounts outstanding are interest free and the maturity profiles are detailed in note 15(b).

18. Contingent liabilities

There were no contingent liabilities at 31 March 2015 or 31 March 2014.

19. Events after the balance sheet date

There are no events after the balance sheet date which warrant disclosure.