

Company Registration No. 05860267 (England and Wales)

TORTEVAL LM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018



TORTEVAL LM LIMITED

COMPANY INFORMATION

Directors

D M van der Walt
I R Wohlman
K P McKenna

Secretary

C Law

Company number

05860267

Registered office

30 Gresham Street
London
EC2V 7QP

Auditors

Ernst & Young LLP
25 Churchill Place
London
E14 5EY

Solicitors

Linklaters LLP
1 Silk Street
London
EC2Y 8HQ

TORTEVAL LM LIMITED

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TORTEVAL LM LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report and financial statements for the year ended 31 March 2018.

Principal activities

The principal activity of the company continued to be that of an holding company for an investment in an investment vehicle whose principal function is to hold securities as collateral against intercompany funding within the Investec Group. The company is the liquidation member of Torteval Funding LLP ("Torteval Funding").

Results and dividends

The results for the year are set out on page 7.

The directors do not recommend payment of an ordinary dividend (2017: £nil).

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

D M van der Walt
I R Wohlman
K P McKenna

No director holding office at 31 March 2018 had any direct beneficial interest in the shares of the company during the year.

Directors' insurance

The company maintains a Directors' and Officers' Liability Insurance Policy. In accordance with the company's Articles of Association, the board may also indemnify a director from the assets of the company against any costs or liability incurred as a result of their office, to the extent permitted by law. Neither the insurance policy nor any indemnities that may be provided by the company provide cover for fraudulent or dishonest actions by the directors. However, costs may be advanced to directors for their defence in investigations or legal actions.

Future developments

The directors expect the business will continue to act as liquidation member to Torteval Funding LLP for the foreseeable future.

Auditor

The auditor, Ernst and Young LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Strategic report exemption

The directors have taken advantage of the exemptions available in section 414B, Companies Act 2006 from preparing a strategic report.

TORTEVAL LM LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

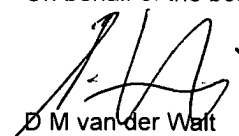
Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- 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 company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board



D M van der Walt
Director

4 October 2018

TORTEVAL LM LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

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Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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TORTEVAL LM LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TORTEVAL LM LIMITED

Opinion

We have audited the financial statements of Torteval LM Limited (the 'company') for the year ended 31 March 2018 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss 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.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

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.

Conclusions relating to going concern

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

- 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 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.

TORTEVAL LM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TORTEVAL LM LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

TORTEVAL LM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TORTEVAL LM LIMITED

Responsibilities of directors

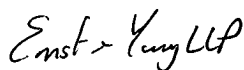
As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable 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.

Auditor's 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 use an auditor's 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 Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



James Billingham (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
London

5TH OCTOBER 2018

TORTEVAL LM LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Revenue	2	142	138
Gross profit		<u>142</u>	<u>138</u>
Tax on profit on ordinary activities	6	(1,523)	1,523
(Loss)/profit for the financial year		<u><u>(1,381)</u></u>	<u><u>1,661</u></u>

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


TORTEVAL LM LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	2017 £
Fixed assets			
Investments	7	1	1
		<hr/>	<hr/>
Current assets			
Debtors	8	671	1,965
		<hr/>	<hr/>
Creditors: amounts falling due within one year			
Creditors	9	1	1
Taxation and social security		87	-
		<hr/>	<hr/>
		88	1
		<hr/>	<hr/>
Net current assets		583	1,964
		<hr/>	<hr/>
Total assets less current liabilities		584	1,965
		<hr/>	<hr/>
Net assets		584	1,965
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss reserves		583	1,964
		<hr/>	<hr/>
Total equity		584	1,965
		<hr/>	<hr/>

The financial statements were approved by the board of directors and authorised for issue on 4 October 2018 and are signed on its behalf by:



D M van der Walt
Director

Company Registration No. 05860267

TORTEVAL LM LIMITED

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

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 April 2016	1	303	304
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	1,661	1,661
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2017	1	1,964	1,965
Year ended 31 March 2018:			
Loss and total comprehensive income for the year	-	(1,381)	(1,381)
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2018	1	583	584
	<hr/>	<hr/>	<hr/>

TORTEVAL LM LIMITED

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

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

Torteval LM Limited is incorporated and domiciled in England and Wales.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound except otherwise when indicated.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

The company has taken advantage of the following disclosure exemptions under FRS 101 where applicable to the company.

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Investec plc in which the entity is consolidated;
- the requirements of paragraph 33 (c) of IFRS 5 Non current Assets Held for Sale and Discontinued Operations;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member ; and
- the requirements of paragraphs 103 (f) (ii) and 130 (f) (iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

Where required, equivalent disclosures are given in the group accounts of Investec plc. The group accounts of Investec plc are available to the public and can be obtained as set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Torteval LM Limited is a wholly owned subsidiary of Investec Bank plc and the results of Torteval LM Limited are included in the consolidated financial statements of Investec Bank plc which are available from 30 Gresham Street, London, EC2V 7QP.

1.2 Going concern

On the basis of current financial projections the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and accordingly the going concern basis is adopted in the preparation of the financial statements.

TORTEVAL LM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.3 Revenue

The company recognises revenue in the form of profit share from its holding in Torteval Funding LLP, its investment. Revenue is only recognised from the profit shares of Torteval Funding LLP when it becomes due to members.

1.4 Investments in associates and subsidiaries

Investments are stated at cost less any impairment in value.

1.5 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

1.6 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided using the balance sheet method on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base, except where such temporary differences arise from:

- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction has no effect on the income statement or taxable profit.
- In respect of temporary timing differences associated with the investments in subsidiaries or interests in associated undertakings, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets or liabilities are measured using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deferred tax asset can be utilised.

Items recognised directly in other comprehensive income are net of related current and deferred taxation.

TORTEVAL LM LIMITED

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

2 Revenue

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

	2018 £	2017 £
Profit share from investment	142	138
	<u>142</u>	<u>138</u>

Geographical market

	2018 £	2017 £
UK	<u>142</u>	<u>138</u>

The company holds a 1% share in the investment partnership Torteval Funding LLP and as such is entitled to a 1% share of all profits of the partnership. At 31 March 2018 Torteval Funding LLP had recognised £14,152 total profit available for distribution in its audited accounts. Accordingly, the company has recognised 1% of this as accrued income, amounting to income in the year of £142.

3 Directors' emoluments

The directors were employed and remunerated as directors of Investec plc and its subsidiaries (the "Group") in respect of their services to the Group as a whole and their remuneration has been paid by other Group companies. It is estimated that the remuneration for their services to the Company in the year totalled £3,000, (2017: £3,000).

4 Auditors' remuneration

The analysis of auditor's remuneration is as follows:

	2018 £	2017 £
Fees payable to the company's auditors for the audit of the company's annual accounts	<u>5,000</u>	<u>4,753</u>

The audit of the company's financial statements has been borne by another group entity.

5 Employees

The company has no employees (2017: nil).

TORTEVAL LM LIMITED

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

6 Income tax expense

	Continuing operations	
	2018	2017
	£	£
Current year	1,523	(1,523)

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

	2018	2017
	£	£
Profit before taxation on continued operations	142	138
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2017 - 20.00%)	27	28
Taxation impact of factors affecting tax charge:		
Adjustment in respect of prior years	1,523	-
Group relief	1,493	-
Transfer pricing adjustment	(1,520)	(1,551)
Total adjustments	1,496	(1,551)
Tax charge for the year	1,523	(1,523)

The Finance Act 2015 reduced the main rate of corporation tax to 19% with effect from 1 April 2017 and to 18% with effect from 1 April 2020.

On 16 March 2016, the Chancellor of the Exchequer announced a further reduction of the corporation tax rate to 17% effective from 1 April 2020. This change has not yet been substantively enacted.

7 Investments

	2018	2017
	£	£
Investments	1	1

The company contributed £1 to Torteval LLP Funding, an investment vehicle whose principle function is to hold securities as collateral against intercompany funding within the Investec Group. This represents a 1% holding in the partnership. The company is also the liquidation member of this entity.

TORTEVAL LM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8 Debtors

	2018	2017
	£	£
Amounts owed by shareholders	1	1
Undistributed profit share from Partnership	670	528
Corporation tax recoverable	-	1,436
	<u>671</u>	<u>1,965</u>

Amounts due from shareholders are interest free and repayable on demand.

Amounts due from the partnership are only distributed when qualifying conditions are met under the partnership Trust Deed.

9 Creditors

	Due within one year	
	2018	2017
	£	£
Amounts due to fellow group undertakings	<u>1</u>	<u>1</u>

The amounts payable fellow group undertakings currently bear no interest and are repayable on demand at request of the lender.

10 Share capital

	2018	2017
	£	£
Ordinary share capital		
Authorised		
100 Ordinary of £1 each	<u>100</u>	<u>100</u>
Called up and allotted		
1 Ordinary of £1 each	<u>1</u>	<u>1</u>

11 Events after the reporting date

There are no significant events occurring after the balance sheet date, up to the date of approval of the financial statements that would meet the criteria to be disclosed or adjusted in the financial statements as at 31 March 2018 and for the year then ended.

12 Risk management

As a wholly-owned subsidiary of Investec Bank plc, the company falls under Investec Bank plc's Risk Appetite Framework which is set out in the Investec Bank plc 2018 financial statements, Risk Management and Corporate Governance report. The company's principal activity is that of an investment holding company. The company's investment in its subsidiaries has been funded by equity and borrowings from its parent.

TORTEVAL LM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

13 Ultimate parent undertaking

The company's ultimate parent and controlling party is Investec plc, a company incorporated in the United Kingdom and registered in England and Wales. The consolidated financial statements of Investec plc are available to the public and may be obtained from Investec plc at 30 Gresham Street, London, EC2V 7QP.