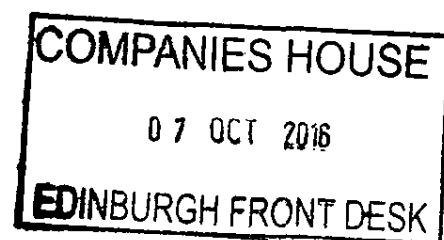


**MURRAY CAPITAL LIMITED**

**Report and Financial Statements**

**For the year ended 31 December 2015**



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# **MURRAY CAPITAL LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2015**

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# **MURRAY CAPITAL LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2015**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

Sir D E Murray  
D D Murray  
C J McDermid

#### **REGISTERED OFFICE**

26 Charlotte Square  
Edinburgh  
EH2 4ET

#### **BANKERS**

Lloyds Banking Group  
The Mound  
Edinburgh  
EH1 1YZ

#### **SOLICITORS**

CMS Cameron McKenna LLP  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EN

#### **AUDITORS**

Ernst & Young LLP  
G1  
5 George Square  
Glasgow  
G2 1DY

# **MURRAY CAPITAL LIMITED**

## **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the year ended 31 December 2015.

### **PRINCIPAL ACTIVITIES**

The principal activity of the company is that of an investment holding and management company.

During the year the company transitioned from UK GAAP to FRS 102 and has taken advantage of the reduced disclosure framework allowed under this standard. The accounting policies applied under the entity's previous accounting framework are not materially different to FRS102 and had no material impact on equity or profit or loss.

### **REVIEW OF ACTIVITIES**

The profit for the year ended 31 December 2015 was £51,369,184 (2014: £811,215), and is made up of a dividend in specie received from a subsidiary, and the gain on investments from the sale of a subsidiary.

On 16 July 2015, a distribution was made by Murray Capital Ventures Limited to the Company. The distribution was made through settlement of an intercompany loan due by the Company totalling £21,355,007, investments totalling £776,743 and a property with a carrying value of £409,430. At the year end, the investments are held on balance sheet, as a result the distribution is reflected within Other Comprehensive Income as an unrealised gain.

On 17 December 2015 the Company disposed of its shareholding in Brand Rex Holdings Limited ('BRHL') and subsidiaries, the trading activities of which were copper cable manufacturing.

### **GOING CONCERN**

In their consideration of going concern, the directors have reviewed the company's cash flow forecasts, associated risks and downside sensitivities; these forecasts extend for a period beyond one year from the date of approval of these financial statements.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

### **POST BALANCE SHEET EVENTS**

In April 2016 a £8,000,000 dividend was paid to the parent company Murray Capital Group Limited.

### **DIVIDENDS**

A dividend of £500,000 (2014: £nil) was proposed and paid during the year.

### **DIRECTORS**

The directors who served during the year and to the date of this report were:

Sir D E Murray  
D D Murray  
C J McDermid

# MURRAY CAPITAL LIMITED

## DIRECTORS' REPORT

### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 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 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.

### DISCLOSURE OF INFORMATION TO AUDITOR

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

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

### AUDITOR

Ernst & Young LLP were appointed as auditors during the year.

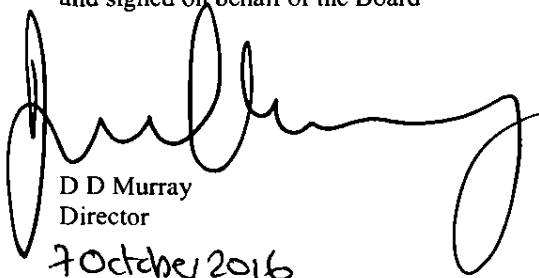
Ernst & Young LLP, having expressed their willingness to continue in office, will be deemed re-appointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

### SMALL COMPANIES

The directors have taken advantage of the exemption available under section 414B of the Companies Act 2006 not to prepare a Strategic Report.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption under section 415A of the Companies Act 2006.

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



D D Murray  
Director  
7 October 2016

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MURRAY CAPITAL LIMITED**

We have audited the financial statements of Murray Capital Limited for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 14. 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 Financial Reporting Standard 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, set out on page 3, 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 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

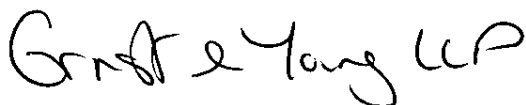
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MURRAY CAPITAL LIMITED

### 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 take advantage of the small companies exemption in preparing the directors' report or from preparing a strategic report.



**Mark Harvey**  
(Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
Statutory Auditor  
Glasgow,  
Date 7 October 2016

# MURRAY CAPITAL LIMITED

## Statement of Comprehensive Income For the year ended 31 December 2015

	Note	2015 £	2014 £
<b>TURNOVER</b>		409,092	1,084,582
<b>GROSS PROFIT</b>		409,092	1,084,582
Administrative expenses		(1,844,470)	(1,707,873)
Exceptional expenses:			
Impairment charge on investments	4	(2,181,171)	-
Share based payment charge	5	(5,549,022)	-
<b>OPERATING LOSS</b>		(9,165,571)	(623,291)
Investment income	2	23,932,703	1,567,788
Interest payable and similar charges	3	(98,579)	(133,283)
Gain on sale of investment	8	35,423,989	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	50,092,542	811,214
Tax on profit on ordinary activities	6	-	-
<b>PROFIT FOR THE YEAR</b>		50,869,285	811,214
Unrealised gain – distribution from subsidiary		776,743	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		776,743	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		50,869,285	811,214

The results are derived from continuing operations.

The accompanying notes form an integral part of these financial statements.



# MURRAY CAPITAL LIMITED

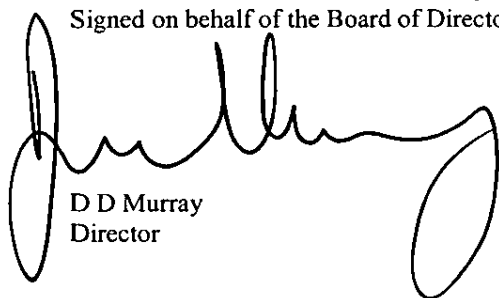
## Statement of Financial Position As at 31 December 2015

	Note	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	7	45,572	497,921
Investments	8	24,489,009	31,258,140
		<u>24,534,581</u>	<u>31,756,061</u>
<b>CURRENT ASSETS</b>			
Debtors	9	1,166,194	872,402
Cash at bank and in hand		32,133,024	1,522,152
		<u>33,299,218</u>	<u>2,394,554</u>
<b>CREDITORS: amounts falling due within one year</b>	10	(394,060)	(27,080,161)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>32,905,158</u>	<u>(24,685,607)</u>
<b>NET ASSETS</b>		<u>57,439,739</u>	<u>7,070,454</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	11	999,900	999,900
Profit and loss account		56,439,839	6,070,554
<b>SHAREHOLDERS' FUNDS</b>		<u>57,439,739</u>	<u>7,070,454</u>

The accompanying notes form an integral part of these financial statements.

The financial statements of Murray Capital Limited, registered number SC206168 were approved by the board of directors and authorised for issue on 7 October 2016.

Signed on behalf of the Board of Directors



D D Murray  
Director



C J McDermid  
Director

# MURRAY CAPITAL LIMITED

## Statement of Changes in Equity As at 31 December 2015

	Share capital	Profit and loss account	Total
	£	£	£
At 1 January 2014	999,900	5,259,340	6,259,240
Profit for the year	-	811,214	811,214
<b>Total comprehensive income for the year</b>	-	811,214	811,214
At 1 January 2015	999,900	6,070,554	7,070,454
Profit for the year		50,092,542	50,092,542
Unrealised gain – distribution from subsidiary	-	776,743	776,743
<b>Total comprehensive income for the year</b>		50,869,285	50,369,285
Dividends paid		(500,000)	(500,000)
At 31 December 2015	999,900	56,439,839	57,439,739

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 December 2015**

**1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below and have been applied consistently throughout the current and prior year.

**Statement of compliance**

Murray Capital Limited is a limited liability company incorporated in Scotland. The Registered Office is 26 Charlotte Square, Edinburgh, EH2 4ET.

The company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 31 December 2015. The company transitioned from previously extant UK GAAP to FRS 102 as at 1 January 2014. The accounting policies applied under the entity's previous accounting framework are not materially different to FRS102 and had no material impact on equity or profit or loss.

**Basis of preparation**

The financial statements of Murray Capital Limited were authorised for issue by the Board of Directors on 30 September 2016. The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company.

The company has taken advantage of section 400 of the Companies Act 2006 in not producing consolidated financial statements as it is a subsidiary of Murray Capital Group Limited which itself produces consolidated financial statements.

The company has taken advantage of the following disclosure exemptions under FRS 102:

- a) The requirements of Section 4 Statement of Financial Position paragraph 4.12 (a)(iv)
- b) The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17 (d)
- c) the requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29; and
- d) the requirement of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Murray Capital Group Limited as of 31 December 2015 and these financial statements may be obtained from 26 Charlotte Square, Edinburgh, EH2. 4ET.

**Going concern**

In their consideration of going concern, the directors have reviewed the company's cash flow forecasts, associated risks and downside sensitivities; these forecasts extend for a period beyond one year from the date of approval of these financial statements.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 December 2015**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Significant accounting judgements, estimates and assumptions**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

**Significant accounting policies**

**Tangible Fixed Assets**

Fixed assets are shown at cost, net of depreciation and provisions for impairment.

Depreciation is provided on fixed assets in order to reduce the net cost of the assets on a straight line basis to estimated net residual value over the anticipated useful life of the assets.

The anticipated useful life of each asset class is as follows:

Freehold buildings	- 50 years
Computer equipment	- 3 years
Office furniture and fittings	- 10 years
Motor vehicles	- 4 years

Land is not depreciated.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

**Impairment of non-financial assets**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. Where the carrying amount exceeds the recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**Year ended 31 December 2015**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Significant accounting policies (continued)**

**Taxation**

UK corporation tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The taxation liabilities of certain group undertakings are reduced wholly or in part by the surrender of losses by other group undertakings. The tax benefits arising from group relief are recognised in the financial statements of the surrendering undertakings.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**Turnover and revenue recognition**

Turnover, all of which is generated within the United Kingdom, represents the amounts (excluding VAT) receivable for services provided in the normal course of business. Revenue is recognised as services are provided.

**Fixed asset investments**

Unlisted fixed asset investments and investments in subsidiaries are shown at cost less provisions for impairment. Listed investments are stated at cost at the year end, net of provision for impairment. Income from fixed asset investments, where applicable, is included within the financial statements in the period in which it is receivable or earned.

**Pension costs**

Pension contributions are paid to pension schemes by the company on behalf of certain employees. The charge to the profit and loss account represents the amounts payable during the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**Cash and cash equivalents**

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

**Short-term debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

# MURRAY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2015

### 1. ACCOUNTING POLICIES (CONTINUED)

#### Loan notes

Loan notes which are basic financial instruments are initially recorded at the present value of future payments discounted at a market rate of interest for a similar loan. Subsequently, they are measured at amortised cost using the effective interest method. Loan notes that are receivable within one year are not discounted.

### 2. INVESTMENT INCOME

	2015 £	2014 £
Interest on loan stock	2,107,478	1,549,511
Bank interest received	2,351	18,277
Dividends received from subsidiary	21,822,874	-
	<u>23,932,703</u>	<u>1,567,788</u>

### 3. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Loan note interest	<u>98,579</u>	<u>133,282</u>

### 4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

	2015 £	2014 £
Depreciation of fixed assets	19,523	30,723
Auditor's remuneration for audit services	4,000	4,000
Impairment on unlisted investments	<u>2,181,171</u>	<u>-</u>

The company has taken advantage of the exemption not to disclose non-audit remuneration paid to the auditors as these disclosures are provided in the group accounts of Murray Capital Group Limited.

# MURRAY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 31 December 2015

### 5. STAFF COSTS AND DIRECTORS' REMUNERATION

The average monthly number of employees (including executive directors), was:

	2015 Number	2014 Number
Administration	9	8

Their aggregate remuneration comprised:

	2015 £	2014 £
Wages and salaries	1,089,609	850,284
Social security costs	135,559	110,190
Pension costs	109,851	133,436
Share based payment	740,230	-
	<u>2,075,249</u>	<u>1,093,910</u>

Directors' remuneration during the year amounted to:

	2015 £	2014 £
Emoluments	651,435	520,156
Contributions to money purchase pension schemes	77,738	66,940
Share based payments	4,808,792	-
	<u>5,537,965</u>	<u>587,096</u>

The directors' remuneration shown above included the following in respect of the highest paid director:

	2015 £	2014 £
Emoluments	200,026	202,084
Contributions to money purchase pension schemes	39,996	36,640
Share based payments	2,404,396	-
	<u>2,644,418</u>	<u>238,724</u>

The number of directors who were members of pension schemes was:

	2015 Number	2014 Number
Money purchase schemes	2	2

A charge of £5,549,022 (2014: £nil) has been recognised in relation to share based payments during the year. Due to the one off material nature of the expense, it has been classified as an exceptional administrative expense.

There are no outstanding share options at either the current or preceding year end.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**Year ended 31 December 2015**

**6. TAX ON PROFIT ON ORDINARY ACTIVITIES**

There is no tax charge or credit in the current or prior year.

No provision has been made for deferred taxation, as it is unlikely that the Company will generate sufficient taxable profits in the future to utilise this amount. There was an unrecognised deferred taxation asset in respect of tax losses carried forward at 31 December 2015 of £1,016,128 (2014: £138,768).

The tax assessed for the year is lower than (2014: lower than) the standard rate of corporation tax in the UK of 20.25% (2014: 21.49%). The differences are explained below:

	2015 £	2014 £
<b>Profit on ordinary activities before tax</b>	50,092,542	811,215
Profit on ordinary activities at standard UK corporation tax rate of 20.25% (2014 – 21.50 %)	10,143,739	174,355
Effects of:		
Fixed asset differences	(15,193)	-
Expenses not deductible for tax purposes	454,115	41,837
Income not taxable for tax purposes	(11,577,051)	939
Deferred tax not recognised	994,390	(217,131)
<b>Total tax expense for the year</b>	-	-

The standard rate of UK corporation tax reduced from 21% to 20% on 1 April 2015. The Finance Act (No.2) 2015 includes legislation which will reduce the rate further to 19%, from 1 April 2017, and to 18%, from 1 April 2020. The Finance Act (No.2) 2015 was substantively enacted on 26 October 2015 and given Royal Assent on 18 November 2015. Accordingly these rates have been applied in the measurement of the deferred tax balances at 31 December 2015. Further to the Budget announcement on 16 March 2016, the corporation tax rate will now be reduced to 17% from 1 April 2020. The effect of this subsequent reduction on deferred tax has not been reflected in these financial statements due to the relevant legislation not having been substantively enacted at the reporting date.



# MURRAY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2015

### 7. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Computer Equipment £	Office Furniture & Fittings £	Motor Vehicles £	Total £
<b>COST</b>					
At 1 January 2015	434,958	31,644	161,069	-	627,671
Additions	-	2,132	-	-	2,132
Disposals	(434,958)	-	-	-	(434,958)
At 31 December 2015	-	33,776	161,069	-	194,845
<b>DEPRECIATION</b>					
At 1 January 2015	-	(22,655)	(107,095)	-	(149,750)
Charge for the year	-	(4,816)	(14,707)	-	(19,523)
At 31 December 2015	-	(27,471)	(121,802)	-	(169,273)
<b>NET BOOK VALUE</b>					
At 31 December 2015	-	6,305	39,267	-	45,572
At 31 December 2014	434,958	8,988	53,975	-	497,921

### 8. INVESTMENTS

The following are included in the net book value of fixed asset investments:

	Subsidiary undertakings £	Listed investments £	Total £
<b>COST AND NET BOOK VALUE</b>			
At 1 January 2015	30,003,659	1,254,481	31,258,140
Additions	4,649,656	-	4,649,656
Loan notes redeemed at par	(2,400,000)	-	(2,400,000)
Disposals	(5,583,135)	(1,254,481)	(6,837,616)
Impairment charge in the year	(2,181,171)	-	(2,181,171)
At 31 December 2015	24,489,009	-	24,489,009

At 31 December 2015 the company held investments in the following subsidiary undertakings:

Investment	Country of incorporation	Principal activity	% Holding
Murray Metals Limited & subsidiaries	UK	Metal stockholding & processing	60%
Capito Holdings Limited & subsidiaries	UK	Information Technology	63%
Murray Capital Ventures Limited	UK	Investment Company	100%
Chardon Wines Limited	UK	Investment Company	100%
Murray Metals Investments Limited	UK	Metal stockholding & processing	60%
Murray Energy PTE	SG	Metal stockholding & processing	100%
Murray Estates Developments Limited	UK	Investment & Management	51%

# MURRAY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2015

### 8. INVESTMENTS (CONTINUED)

The historic cost of listed investments at the year end was £nil (2014: £1,254,481) with a market value totalling £nil (2014: £1,504,581). During the year, a gain of £303,459 was recognised on disposal.

On 17 December 2015 the Company disposed of its shareholding in Brand Rex Holdings Limited ('BRHL') and subsidiaries, the trading activities of which were copper cable manufacturing. A gain on the sale of this investment of £35,120,530 has been recognised in the current year.

### 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Amounts due from parent undertaking	52,265	52,265
Amounts due from other group undertakings (note 13)	797,635	563,237
Amounts due from related parties (note 13)	108,554	130,281
Prepayments and accrued income	128,767	124,852
Other debtors	78,973	1,766
	<u>1,166,194</u>	<u>872,401</u>

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	9,417	51,524
Amounts due to other group undertakings (note 13)	-	23,123,154
Amounts due to related parties	-	11,170
Other creditors	9,377	3,542,291
Accruals and deferred income	375,266	352,022
	<u>394,060</u>	<u>27,080,161</u>

### 11. CALLED-UP SHARE CAPITAL

	2015 £	2014 £
<i>Allotted, called-up and fully paid:</i>		
999,900 (2014: 999,900) ordinary shares of £1	<u>999,900</u>	<u>999,900</u>

### 12. ULTIMATE HOLDING COMPANY

At 31 December 2015 the immediate and ultimate holding company was Murray Capital Group Limited. The ultimate controlling interest is held by Sir David E Murray. The largest and smallest group in which the results of the company were consolidated as at 31 December 2015 was that headed by the ultimate holding company whose principal place of business is 26 Charlotte Square, Edinburgh, EH2 4ET. Copies of Murray Capital Group Limited financial statements are available from the above address.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**Year ended 31 December 2015**

**13. RELATED PARTY TRANSACTIONS**

In accordance with the exemptions provided under FRS 102, the company has not disclosed transactions with other wholly-owned subsidiary undertakings of the ultimate holding company (Note 12).

During the year, the company entered into the following transactions with other related parties:

Amounts due from related parties

The company charges directors' fees or recharges costs to certain related parties and companies in which investments are held directly or through the company's subsidiary undertakings. Those companies include Argyle Consulting Limited and the Lister Property Partnership. Aggregate fees charged in the year were £123,325 (2014: £127,104). At the year end, balances receivable from these companies were, in aggregate, £108,554 (2014: £130,281).

Amounts due from other group undertakings

The company charges fees and interest at 10.0% on loan notes to Murray Metals Limited. The total charged during the year was £173,682 (2014: £258,952) of which £222,235 (2014: £159,656) is outstanding at 31 December 2015.

The company charges fees and interest on loan notes at 8% and 8.5% to Capito Holdings Limited. The total charged during the year was £18,450 (2014: £26,601) of which £6,590 (2014: £4,620) is outstanding at 31 December 2015.

The company charges fees and interest on loan notes at 8.5% and 12% to Murray Estates Developments Limited. The total charged during the year was £219,072 (2014: £237,877) of which £457,949 (2014: £237,877) is outstanding at 31 December 2015.

The company charges fees and interest on loan notes at 10% to Murray Metals Investments Limited. The total charged during the year was £12,500 (2014: £58,438) of which £103,708 (2014: £58,438) is outstanding at 31 December 2015.

The remaining outstanding balance of £7,150 (2014: £56,096) is due from 100% owned subsidiaries exempt from disclosure.

**14. TRANSITION TO FRS 102**

For all periods up to and including the year ended 31 December 2014, the Company prepared its financial statements in accordance with previously extant United Kingdom generally accepted accounting practice (UK GAAP). These financial statements, for the year ended 31 December 2015, are the first the Company has prepared in accordance with FRS 102. Accordingly, the Company has prepared individual financial statements which comply with FRS 102 applicable for periods beginning on or after 1 January 2014 and the significant accounting policies meeting those requirements are described in the relevant notes.

The accounting policies applied under the entity's previous accounting framework are not materially different to FRS102 and had no material impact on equity or profit or loss.