

JIT SECURITIES LIMITED

Report and Accounts

For the year ended 30 June 2018

Registered No. 03955372



JIT SECURITIES LIMITED

DIRECTORS' REPORT

The Directors submit their Report and financial statements for the year ended 30 June 2018.

RESULTS AND DIVIDENDS

The Statement of Comprehensive Income on page 5 gives details of the results for the year. The Directors do not recommend payment of a final dividend.

The Company is a wholly owned subsidiary of New Star Investment Trust PLC ('Parent Company').

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Company is to carry on business as an investment company. A full review of the activities of the Group (which comprises the Parent Company and the Company) is set out in the Strategic Review on pages 6 to 18 of the Report & Accounts of New Star Investment Trust plc for the year ended 30 June 2018.

The Directors' Report has been prepared in accordance with the special provisions relating to small companies under Sections 415(A)(1) & (2) of the Companies Act 2006. The Directors have chosen not to prepare a Strategic Report in accordance with the Section 414(B) of the Companies Act 2006.

The Company is expected to be dormant after 30 June 2018.

DIRECTORS AND THEIR INTERESTS

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

Geoffrey Howard-Spink (Chairman)

John Duffield

David Gamble (appointed on 16 November 2017)

Marcus Gregson (resigned 14 September 2017)

There are no Directors' interests to be disclosed under the Companies Act 2006. In accordance with Article 20 of the Articles of Association none of the Directors in office at the year end are required to retire. The interests of the Directors in the Share Capital of the Parent Company are shown in the financial statements of that Company.


DISCLOSURE OF INFORMATION TO AUDITORS

The Directors confirm that, as far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and that 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 auditors are aware of that information.

AUDITORS

The Company passed a resolution in accordance with Section 386 of the Companies Act 1985 to dispense with the obligation to appoint auditors annually. Accordingly Ernst & Young LLP, having held appointment since before 1 October 2007 is deemed to be reappointed as auditor for the financial period commencing 1 July 2018 notwithstanding the effect of Section 486(2)(a) of the Companies Act 2006.

By Order of the Board of Directors


Maitland Administration Services Limited
Secretary

22 March 2019

Registered Office:

1 Knightsbridge Green, London, SW1X 7QA

JIT SECURITIES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the financial statements in accordance with applicable United Kingdom 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 Financial Statements under International Financial Reporting Standards ('IFRSs') as adopted by the European Union.

Under company law the Directors must not approve the financial statements unless they are satisfied that they present fairly the financial position, financial performance, and cash flows of the Company for that period. In preparing the financial statements the Directors are required to:

- Select suitable accounting policies in accordance with IAS8: Accounting Policies, Changes in Accounting Estimates and Errors, and apply them consistently;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- State that the Company has complied with IFRS, subject to any material departures disclosed and explained in the financial statements;
- Provide additional disclosures when compliance with specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- make judgments and estimates that are reasonable and prudent.

The Directors are responsible for keeping adequate accounting records which are sufficient to disclose the Company's transactions and disclose with reasonable accuracy, at any time, the financial position of the Company and to enable them to ensure that the Company's financial statements comply with the Companies Act 2006. The Directors are also responsible for ensuring that the Report of the Directors is prepared in accordance with company law in the United Kingdom. They are also responsible for safeguarding the assets of the Company and for taking such steps as are reasonably open to them for the prevention and detection of fraud and other irregularities.

JIT SECURITIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JIT SECURITIES LIMITED

Opinion

We have audited the financial statements of JIT Securities Limited (the 'Company') for the year ended 30 June 2018 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Cash Flow Statement and the related notes 1 to 9, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 30 June 2018 and of its profit for the year then ended
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for 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

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 no appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

JIT SECURITIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JIT SECURITIES LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities in respect of the Financial Statements 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 issue 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.

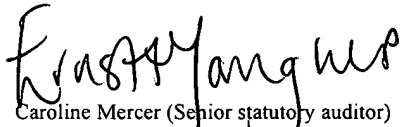
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

JIT SECURITIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JIT SECURITIES LIMITED (continued)

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.



Caroline Mercer (Senior statutory auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

24 March 2019

JIT SECURITIES LIMITED

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2018

	Notes	2018 Total £	2017 Total £
Other operating income		<u>1,675</u>	<u>771</u>
Total income		<u>1,675</u>	<u>771</u>
Expenses		<u>-</u>	<u>-</u>
PROFIT BEFORE TAX		1,675	771
Tax	3	<u>-</u>	<u>-</u>
PROFIT FOR YEAR		<u>1,675</u>	<u>771</u>

Turnover and operating profit all derive from continuing operations.

The notes on pages 10 to 12 form part of these financial statements.

JIT SECURITIES LIMITED

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2018

	Share capital £	Retained earnings £	Total shareholders' funds £
At 1 July 2017	1	504,084	504,085
Retained profit for the year	-	1,675	1,675
At 30 June 2018	<u>1</u>	<u>505,759</u>	<u>505,760</u>

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2017

	Share capital £	Retained earnings £	Total shareholders' funds £
At 1 July 2016	1	503,313	503,314
Retained profit for the year	-	771	771
At 30 June 2017	<u>1</u>	<u>504,084</u>	<u>504,085</u>

The notes on pages 10 to 12 form part of these financial statements.

JIT SECURITIES LIMITED

STATEMENT OF FINANCIAL POSITION

At 30 June 2018

	Notes	2018 £	2017 £
CURRENT ASSETS			
Cash and cash equivalents		62	1,418,626
Amounts due from parent company		<u>505,698</u>	<u>-</u>
		505,760	1,418,626
CURRENT LIABILITIES			
Amounts due to parent undertaking	9	<u>-</u>	<u>(914,541)</u>
		-	(914,541)
NET ASSETS			
		<u>505,760</u>	<u>504,085</u>
ATTRIBUTABLE TO EQUITY HOLDERS			
Share capital	5	1	1
Retained earnings	6	<u>505,759</u>	<u>504,084</u>
TOTAL EQUITY		<u>505,760</u>	<u>504,085</u>

These financial statements for JIT Securities Limited (Company No: 03955372) were approved by the Board and authorised for issue on 24 March 2019, and were signed on behalf of the Directors by:



Geoffrey Howard-Spink

The notes on pages 10 to 12 form part of these financial statements.

JIT SECURITIES LIMITED

CASH FLOW STATEMENT

For the year to 30 June 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Profit before taxation		1,675	771
Net cash inflow from operating activities		<u>1,675</u>	<u>771</u>
Cash flows from financing activities			
Repayment of amounts due from parent		(914,541)	
Net cash outflow from financing activities		<u>(914,541)</u>	<u>-</u>
Cash flows from investing activities			
Amounts lent to parent		(505,698)	-
Net cash outflow from investing activities		<u>(505,698)</u>	<u>-</u>
Net (decrease)/increase in cash		(1,418,564)	771
Cash at 1 July		1,418,626	1,417,855
Cash at 30 June		<u>62</u>	<u>1,418,626</u>

Analysis of net cash

	At 30 June 2017 Cash Flow	Transfer to parent undertaking	At 30 June 2018
	£	£	£
Cash and cash equivalents	1,418,626	1,675 (1,420,239)	62

The notes on pages 10 to 12 form part of these financial statements.

JIT SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2018

1. ACCOUNTING POLICIES

In line with the Company's parent, the financial statements for the year ended 30 June 2018 have been prepared in accordance with International Financial Reporting Standards ('IFRS'). These comprise standards and interpretations of the International Accounting Standards and Standing Interpretations Committee ('IASC') that remain in effect, and to the extent that they have been adopted by the European Union.

(a) BASIS OF PREPARATION

These financial statements are presented in pounds sterling, the Company's functional currency, because that is the currency of the primary economic environment in which the Company operates, rounded to the nearest pound.

(b) CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investment that are readily convertible to known amounts of cash.

(c) OTHER OPERATING INCOME

Investment income includes bank interest receivable from cash balances. Bank deposit interest is accounted for on an accruals basis.

(d) TAXATION

The charge for taxation is based on taxable income for the year. Withholding tax deducted from income received is treated as part of the taxation charge against income. Taxation deferred or accelerated can arise due to temporary differences between treatment of certain items for accounting and taxation purposes. Full provision is made for deferred taxation under the liability method on all temporary differences not reversed by the Balance Sheet date.

(e) FOREIGN CURRENCY

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Foreign currency transactions are translated at the rates of exchange applicable at the transaction date. Foreign currency differences including exchange gains and losses are dealt with in the Statement of Comprehensive Income.

(f) ACCOUNTING DEVELOPMENTS

At the date of authorisation of these financial statements, the following Standards, which have not been applied in these financial statements, were in issue but were not yet effective.

The revised IFRS 9 Financial Instruments replaces IAS 39 and applies to the classification and measurement and impairment of financial assets and financial liabilities, and hedge accounting. The adoption of IFRS 9 will have an effect on the classification and measurement of the Company's financial assets, but will have no impact on the classification and measurement of financial liabilities. It will also introduce a new expected loss impairment model requiring more timely recognition of expected credit losses and a reformed model for hedge accounting with enhanced disclosure of risk management activity. The standard is effective for annual periods beginning on or after 1 January 2018.

IFRS 15 'Revenue from Contracts with Customers' (IFRS 15) supersedes IAS 11 'Construction Contracts', IAS 18 'Revenue' and related interpretations. The revenue of the Group is not within the scope of IFRS 15 and therefore it has no material impact on adoption.

The Directors are considering what impact, if any, adoption of these standards/interpretations in future periods may have but do not believe that there will be any material impact on future financial statements.

(g) USE OF ESTIMATES

The preparation of financial statements requires the Company to make estimates and assumptions that affect items reported in the balance sheet and statement of comprehensive income and the disclosure of contingent assets and liabilities at the date of the financial statements. Although these estimates are based on the Directors' best knowledge of current facts, circumstances and, to some extent, future events and actions, the Company's actual results may ultimately differ from those estimates, possibly significantly.

JIT SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2018

2. DIRECTORS REMUNERATION AND EMPLOYMENT COSTS

The Directors received no emoluments in respect of their services to the Company. No Director has a contract of service with the Company. The Company has no other employees.

3. TAXATION

	2018 £	2017 £
Corporation tax	<u>-</u>	<u>-</u>
Analysis of tax charge for the year:	2018 £	2017 £
Profit before tax	<u>1,675</u>	<u>771</u>
Theoretical tax at UK corporation tax rate of 19% (2017: 19.75%*)	<u>318</u>	<u>154</u>
Transfer pricing adjustment on interest free loan	<u>(318)</u>	<u>(154)</u>
Total tax for year	<u>-</u>	<u>-</u>

* Under the Finance Act 2011, the rate of Corporation Tax was lowered to 19% from 20% on 1 April 2017. An average rate of 19.75% was applicable for the year ended 30 June 2017.

4. EXPENSES

The parent company has undertaken to contribute any operational costs or expenses incurred by the Company. Audit fees of £1,000 relating to the Company were paid by the parent company to Ernst & Young LLP.

5. SHARE CAPITAL

	2018 £	2017 £
Authorised: 1,000 Ordinary shares of £1	<u>1,000</u>	<u>1,000</u>
Allotted, called-up and fully paid 1 Ordinary share of £1	<u>1</u>	<u>1</u>

6. RESERVES

	Retained Revenue 2018 £	Retained Revenue 2017 £
At 1 July 2017 / 2016	504,084	503,313
Retained net profits	<u>1,675</u>	<u>771</u>
At 30 June 2018 / 2017	<u>505,759</u>	<u>504,084</u>

JIT SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2018

7. ULTIMATE PARENT COMPANY

The Company is a wholly owned subsidiary of New Star Investment Trust PLC, which is registered in England and Wales. The consolidated financial statements are available to the public, on payment of the appropriate fee, from Companies Registration Office, Companies House, Crown Way, Cardiff, CF4 3UZ. The consolidated financial statements are also available on the New Star Investment Trust PLC website (www.nsitplc.com) at no cost.

8. CAPITAL MANAGEMENT

The Company's capital is as disclosed in the Statement of Financial Position and is managed on a basis consistent with its investment objective and policies.

9. RELATED PARTY TRANSACTIONS

The Company has repaid £914,541 owing to the parent company and transferred funding to its parent. The funding was transferred on an unsecured, interest free basis. At 30 June 2018, the balance due from New Star Investment Trust PLC was £505,698 (2017: due to £914,541).