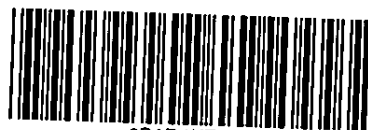


**AUBREY CAPITAL MANAGEMENT
LIMITED**
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 OCTOBER 2011

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AUBREY CAPITAL MANAGEMENT LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

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AUBREY CAPITAL MANAGEMENT LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors

Mr A Dalrymple
Mrs L A Thornton
Ms S F Bentley Hamlyn
Mr B M McCorkell
Mr S J Milne
Mr R Sullivan

Company Secretary

Mr B M McCorkell

Registered Office

22 Stafford Street
Edinburgh
EH3 7BD

Auditor

Chiene + Tait
Chartered Accountants
& Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

Adam & Company
22 Charlotte Square
Edinburgh
EH2 4DF

Solicitors

Dickson Minto WS
16 Charlotte Square
Edinburgh
EH2 4DF

AUBREY CAPITAL MANAGEMENT LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 OCTOBER 2011

The directors present their report and the financial statements of the company for the year ended 31 October 2011.

Principal activities and business review

The principal activity of the company during the year was fund management.

Business of the Company

Aubrey Capital Management Limited is a specialist Investment Manager with a particular focus on growth equities and Global and Regional Conviction Funds and mandates.

Performance

Again it has been a year of progress, with the launch of new Funds, the winning of new business in a number of business segments and increasing assets under management, as well as key investment in people, systems and support. The strategic partnership with Treasury Group of Australia continues to be a source of great strength and opportunity.

Total Return & Revenue

The company is reporting a loss of £205,012 for the financial year to 31 October 2011. Funds under Management have increased from £151.78m as at 31 October 2010 to £136.88m as at 31 October 2011.

Principal Risks

The Directors well understand the risks involved within a business linked to investment sentiment, the most obvious being that any period of persistent market weakness impacts directly on the income stream for the company by way of reduced management fee income, the likelihood of redemptions and difficulty in marketing. weakness also impacts on the ability both to retain holders and to sell new units in the funds in uncertain times.

Current and Future Developments

With good investment performance in all product categories and increased investment in people, systems and marketing, the Directors look forward to the future with optimism.

Results and dividends

The loss for the year amounted to £205,012. The directors have not recommended a dividend.

The directors and their interests in the shares of the company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		At 31 October 2011	At 1 November 2010 or later date of appointment
Mr A Dalrymple	Ordinary Shares	82,250	82,250
Mrs L A Thornton	Ordinary Shares	24,675	24,675
Ms S F Bentley Hamlyn	Ordinary Shares	32,900	32,900
Mr B M McCorkell	Ordinary Shares	24,675	24,675
Mr S J Milne	Ordinary Shares	<u>6,000</u>	<u>6,000</u>

Mr R Sullivan was appointed as a director on 30 September 2011.

Mr M D Burgess retired as a director on 24 June 2011.

AUBREY CAPITAL MANAGEMENT LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 OCTOBER 2011

Directors' responsibilities

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 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that ought to have been taken to ensure they are aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Chiene + Tait are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed by order of the directors



Mr B M McCorkell
Company Secretary

Approved by the directors on 15/2/2012

AUBREY CAPITAL MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AUBREY CAPITAL MANAGEMENT LIMITED

YEAR ENDED 31 OCTOBER 2011



We have audited the financial statements of Aubrey Capital Management Limited for the year ended 31 October 2011 on pages 6 to 15. 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).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 (APB'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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. 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 October 2011 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.

Opinion on other matters 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.

AUBREY CAPITAL MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AUBREY CAPITAL MANAGEMENT LIMITED *(continued)*

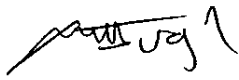
YEAR ENDED 31 OCTOBER 2011



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.


Jeremy Chittleburgh BSs CA (Senior Statutory Auditor)
For and on behalf of
CHIENE + TAIT
Chartered Accountants & Statutory Auditor

61 Dublin Street
Edinburgh
EH3 6NL

15/2/12

AUBREY CAPITAL MANAGEMENT LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 OCTOBER 2011

	Note	2011 £	2010 £
Turnover	2	1,128,849	836,418
Administrative expenses		1,337,034	923,098
Other operating income		(812)	(1,717)
Operating loss	3	(207,373)	(84,963)
Interest receivable		2,361	2,656
Loss on ordinary activities before taxation		(205,012)	(82,307)
Tax on loss on ordinary activities	6	—	—
Loss for the financial year		(205,012)	(82,307)

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

AUBREY CAPITAL MANAGEMENT LIMITED

BALANCE SHEET

31 OCTOBER 2011

	Note	£	2011 £	2010 £
Fixed assets				
Tangible assets	8		<u>17,520</u>	<u>8,501</u>
Current assets				
Debtors	9	131,306		82,093
Cash at bank and in hand		<u>379,859</u>		<u>576,613</u>
		511,165		658,706
Creditors: amounts falling due within one year	10	<u>152,104</u>		<u>85,614</u>
Net current assets			<u>359,061</u>	<u>573,092</u>
Total assets less current liabilities			<u>376,581</u>	<u>581,593</u>
Capital and reserves				
Called-up equity share capital	12		2,436	2,436
Share premium account	13		736,206	736,206
Profit and loss account	13		<u>(362,061)</u>	<u>(157,049)</u>
Shareholders' funds	13		<u>376,581</u>	<u>581,593</u>

These financial statements were approved by the directors and authorised for issue on 15.2.12, and are signed on their behalf by:


Mr A Dalrymple

Company Registration Number: SC299239

AUBREY CAPITAL MANAGEMENT LIMITED
CASH FLOW STATEMENT
YEAR ENDED 31 OCTOBER 2011

	Note	£	2011 £	2010 £
Net cash outflow from operating activities	14		(186,659)	(56,598)
Returns on investments and servicing of finance	14		2,361	2,656
Taxation	14		–	6,028
Capital expenditure and financial investment	14		(12,456)	(9,355)
Cash outflow before financing			<u>(196,754)</u>	<u>(57,269)</u>
Financing	14		–	533,179
(Decrease)/increase in cash	14		<u>(196,754)</u>	<u>475,910</u>

AUBREY CAPITAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover shown in the profit and loss accounts represents the value of investment management work undertaken during the year, both invoiced and uninvoiced.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 20% straight line
Computer Equipment	- 25% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company provides for amounts payable to defined contribution pensions schemes for certain employees.

Deferred taxation

Deferred tax is provided on the liability method to take account of timing differences between the treatment for certain items for accounts purposes and the treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences. Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Finance costs

Costs relating to the issue of equity shares are charged direct to the Share Premium account.

2. Turnover

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2011 £	2010 £
United Kingdom	693,480	526,384
European sales	435,369	310,034
	<u>1,128,849</u>	<u>836,418</u>

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

3. Operating loss

Operating loss is stated after charging:

	2011 £	2010 £
Depreciation of owned fixed assets	3,437	4,739
Operating lease costs:		
- Plant and equipment	2,387	818
- Other	32,508	40,577
Net loss on foreign currency translation	9	343
Auditor's remuneration - audit of the financial statements	1,450	1,400
Auditor's remuneration - other fees	<u>7,491</u>	<u>9,243</u>
	2011 £	2010 £
Auditor's remuneration - audit of the financial statements	<u>1,450</u>	<u>1,400</u>
Auditor's remuneration - other fees:		
- Taxation services	1,475	1,250
- Other services	6,016	7,993
	<u>7,491</u>	<u>9,243</u>

4. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2011 No	2010 No
Number of administrative staff	8	6
Number of management staff	5	5
	<u>13</u>	<u>11</u>

The aggregate payroll costs of the above were:

	2011 £	2010 £
Wages and salaries	814,965	546,479
Social security costs	85,725	55,178
Other pension costs	9,029	9,318
	<u>909,719</u>	<u>610,975</u>

5. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2011 £	2010 £
Remuneration receivable	<u>585,834</u>	<u>431,169</u>

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

5. Directors' remuneration (*continued*)

Remuneration of highest paid director:

	2011	2010
	£	£
Total remuneration (excluding pension contributions)	<u>125,000</u>	<u>94,759</u>

6. Taxation on ordinary activities

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 20% (2010 - 21%).

	2011	2010
	£	£
Loss on ordinary activities before taxation	<u>(205,012)</u>	<u>(82,307)</u>
Loss on ordinary activities by rate of tax	(41,002)	(17,284)
Accelerated capital allowances	(1,988)	(1,210)
Expenses disallowed	(915)	2,019
Adjustment for pension provision	525	828
Losses carried forward	<u>41,550</u>	<u>15,647</u>
Total current tax	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

A deferred tax asset of £67,042 (2010:£28,303) exists at the year end which has not been recognised in the accounts. This has arisen from £67,240 (2010: £27,168) trading losses carried forward net of £198 (2010:plus £1,135) other timing differences.

7. Pension contributions

The company pays premiums into personal pension schemes on behalf of employees. Pension contributions of £9,029 (2010: £9,318) were charged during the year, and contributions amounting to £11,943 (2010: £9,318) were outstanding at the year end.

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

8. Tangible fixed assets

	Fixtures & Fittings £	Computer Equipment £	Total £
Cost			
At 1 November 2010	4,591	19,608	24,199
Additions	1,565	10,891	12,456
At 31 October 2011	6,156	30,499	36,655
Depreciation			
At 1 November 2010	624	15,074	15,698
Charge for the year	1,019	2,418	3,437
At 31 October 2011	1,643	17,492	19,135
Net book value			
At 31 October 2011	4,513	13,007	17,520
At 31 October 2010	3,967	4,534	8,501

9. Debtors

	2011 £	2010 £
Trade debtors	45,982	—
Prepayments and accrued income	85,324	82,093
	131,306	82,093

10. Creditors: amounts falling due within one year

	2011 £	2010 £
Trade creditors	69,090	1,771
PAYE and social security	30,345	19,237
VAT	5,002	7,379
Other creditors	14,476	40,852
Accruals and deferred income	33,191	16,375
	152,104	85,614

11. Commitments under operating leases

At 31 October 2011 the company had annual commitments under non-cancellable operating leases as set out below.

	2011		2010	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire:				
Within 2 to 5 years	43,000	2,996	43,000	818

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

12. Share capital

Allotted, called up and fully paid:

	2011 No	£	2010 No	£
170,500 Ordinary shares of £0.01 each	170,500	1,705	170,500	1,705
42,625 Convertible A Shares shares of £0.01 each	42,625	426	42,625	426
30,477 Convertible B Shares shares of £0.01 each	30,477	305	30,477	305
	<u>243,602</u>	<u>2,436</u>	<u>243,602</u>	<u>2,436</u>

The holders of Convertible A shares have the same rights as the holders of Ordinary Shares provided that the holders of Convertible A shares will not be entitled to receive dividends, but will, at the sole discretion of the Directors, be entitled to be paid cumulative monthly interest on the aggregate subscription amount at a rate of 7% per annum.

The holders of the Convertible B shares have the same rights as the holders of Ordinary Shares provided that the holders of the Convertible B shares will not be entitled to vote at general meetings, or receive dividends.

13. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Share premium account £	Profit and loss account £	Total share-holders' funds £
Balance brought forward	1,705	203,758	(74,742)	130,721
Loss for the year	-	-	(82,307)	(82,307)
Other movements				
New equity share capital subscribed	731	550,292	-	551,023
Issue costs of new equity	-	(17,844)	-	(17,844)
Balance brought forward	2,436	736,206	(157,049)	581,593
Loss for the year	-	-	(205,012)	(205,012)
Balance carried forward	<u>2,436</u>	<u>736,206</u>	<u>(362,061)</u>	<u>376,581</u>

14. Notes to the cash flow statement

Reconciliation of operating loss to net cash outflow from operating activities

	2011 £	2010 £
Operating loss	(207,373)	(84,963)
Depreciation	3,437	4,739
Increase in debtors	(49,213)	(2,337)
Increase in creditors	66,490	25,963
Net cash outflow from operating activities	<u>(186,659)</u>	<u>(56,598)</u>

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

14. Notes to the cash flow statement (*continued*)

Returns on investments and servicing of finance

	2011	2010
	£	£
Interest received	<u>2,361</u>	<u>2,656</u>
Net cash inflow from returns on investments and servicing of finance	<u>2,361</u>	<u>2,656</u>

Taxation

	2011	2010
	£	£
Taxation	<u>—</u>	<u>6,028</u>

Capital expenditure

	2011	2010
	£	£
Payments to acquire tangible fixed assets	<u>(12,456)</u>	<u>(9,355)</u>
Net cash outflow from capital expenditure	<u>(12,456)</u>	<u>(9,355)</u>

Financing

	2011	2010
	£	£
Issue of equity share capital	<u>—</u>	<u>731</u>
Share premium on issue of equity share capital	<u>—</u>	<u>532,448</u>
Net cash inflow from financing	<u>—</u>	<u>533,179</u>

Reconciliation of net cash flow to movement in net funds

	2011	2010
	£	£
(Decrease)/Increase in cash in the period	<u>(196,754)</u>	<u>475,910</u>
Movement in net funds in the period	<u>(196,754)</u>	<u>475,910</u>
Net funds at 1 November 2010	<u>576,613</u>	<u>100,703</u>
Net funds at 31 October 2011	<u>379,859</u>	<u>576,613</u>

Analysis of changes in net funds

	At		At
	1 Nov 2010	Cash flows	31 Oct 2011
	£	£	£
Net cash:			
Cash in hand and at bank	<u>576,613</u>	<u>(196,754)</u>	<u>379,859</u>
Net funds	<u>576,613</u>	<u>(196,754)</u>	<u>379,859</u>

AUBREY CAPITAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2011

15. Pillar 3 disclosures

Aubrey Capital Management Limited ("Aubrey") is authorised and regulated by the Financial Services Authority ("FSA"). The FSA is responsible, in the United Kingdom, for the implementation of the 2006 Capital Requirements Directive of the European Union. This Directive established a new regulatory capital framework for the financial services industry.

The company is required to make disclosures of its capital, risk exposures and risk assessment processes in compliance with part 11 of the Prudential Sourcebook for Banks, Building Societies and Investment, and these are available on request from Aubrey's registered office.

16. Ultimate controlling party

In the opinion of the directors, there is no ultimate controlling party.

17. Related party transactions

Mr R Sullivan (director) is also a director of Treasury Group of Australia ("TG") with whom Aubrey Capital Management Limited ("ACM") has formed a strategic partnership.

During the year ended 31 October 2011, ACM was reimbursed by TG for £15,011 of salary costs incurred on its behalf.

In the same period ACM also invoiced investment funds set up by TG for investment management services amounting to £66,470. An equivalent amount was due to TG for fund set up costs incurred to 31 October 2011, and was outstanding at the year end.