

**AUBREY CAPITAL MANAGEMENT
LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 OCTOBER 2012**

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AUBREY CAPITAL MANAGEMENT LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2012

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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

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
25 St Andrew Square
Edinburgh
EH2 1AF

Solicitors

Dickson Minto WS
16 Charlotte Square
Edinburgh
EH2 4DF

AUBREY CAPITAL MANAGEMENT LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 OCTOBER 2012

The directors present their report and the financial statements of the company for the year ended 31 October 2012.

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 winning of new business and the expansion of investment services offered, but also critically with key investment in both people and systems across the investment, administration and marketing teams, to ensure we are strongly positioned for the next phase of our development. 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 profit of £17,005 for the financial year to 31 October 2012.

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 increased investment in people, systems and marketing, the Directors look forward to the future with optimism.

Results and dividends

The profit for the year, after taxation, amounted to £17,005. 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 2012	At 1 November 2011
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 retired as a director on 9 March 2012.

Mr I Blair was appointed as a director on 8 January 2013.

AUBREY CAPITAL MANAGEMENT LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 OCTOBER 2012

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 year.

In preparing those 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;
- 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.

Signed on behalf of the directors

Mr B M McCorkell



Company Secretary

Approved by the directors on 25/2/13

AUBREY CAPITAL MANAGEMENT LIMITED

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

YEAR ENDED 31 OCTOBER 2012



We have audited the financial statements of Aubrey Capital Management Limited for the year ended 31 October 2012 on pages 6 to 16. 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 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. 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 2012 and of its profit 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 2012

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 BSC CA (Senior Statutory Auditor)

For and on behalf of

CHIENE + TAIT

Chartered Accountants & Statutory Auditor

61 Dublin Street

Edinburgh

EH3 6NL

25/2/13

AUBREY CAPITAL MANAGEMENT LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 OCTOBER 2012

	Note	2012 £	2011 £
Turnover	2	1,649,210	1,129,661
Administrative expenses		<u>1,633,195</u>	<u>1,337,034</u>
Operating profit/(loss)	3	16,015	(207,373)
Interest receivable		1,333	2,361
Interest payable and similar charges	6	(76)	—
Profit/(loss) on ordinary activities before taxation		<u>17,272</u>	<u>(205,012)</u>
Tax on profit/(loss) on ordinary activities	7	267	—
Profit/(loss) for the financial year		<u>17,005</u>	<u>(205,012)</u>

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.

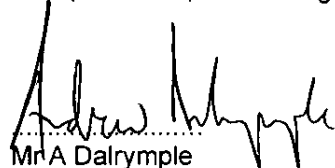
AUBREY CAPITAL MANAGEMENT LIMITED

BALANCE SHEET

31 OCTOBER 2012

	Note	£	2012 £	2011 £
Fixed assets				
Tangible assets	9		<u>17,369</u>	<u>17,520</u>
Current assets				
Debtors	10	234,879		131,306
Cash at bank and in hand		<u>245,733</u>		<u>379,859</u>
		480,612		511,165
Creditors: amounts falling due within one year	11	<u>104,395</u>		<u>152,104</u>
Net current assets			<u>376,217</u>	<u>359,061</u>
Total assets less current liabilities			<u>393,586</u>	<u>376,581</u>
Capital and reserves				
Called-up equity share capital	14		2,436	2,436
Share premium account	15		736,206	736,206
Profit and loss account	15		<u>(345,056)</u>	<u>(362,061)</u>
Shareholders' funds	15		<u>393,586</u>	<u>376,581</u>

These financial statements were approved by the directors and authorised for issue on 29/2/13, 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 2012

	Note	2012 £	2011 £
Net cash outflow from operating activities	16	(129,506)	(186,659)
Returns on investments and servicing of finance	16	1,257	2,361
Capital expenditure and financial investment	16	(5,877)	(12,456)
Decrease in cash	16	<u>(134,126)</u>	<u>(196,754)</u>

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2012

1. Accounting policies

Basis of accounting

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

Going concern

The financial statements have been prepared on a going concern basis. The directors have assessed the Company's ability to continue as a going concern and have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

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 pension 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.

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2012

2. Turnover

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

An analysis of turnover is given below:

	2012 £	2011 £
United Kingdom	820,819	694,292
Rest of Europe	296,047	435,369
Rest of World	532,344	-
	<u>1,649,210</u>	<u>1,129,661</u>

3. Operating profit/(loss)

Operating profit/(loss) is stated after charging:

	2012 £	2011 £
Depreciation of owned fixed assets	6,028	3,437
Operating lease costs:		
- Plant and equipment	2,631	2,387
- Other	32,508	32,508
Net loss on foreign currency translation	7,128	9
Auditor's remuneration - audit of the financial statements	1,750	1,450
Auditor's remuneration - other fees	<u>12,015</u>	<u>7,491</u>

	2012 £	2011 £
Auditor's remuneration - audit of the financial statements	<u>1,750</u>	<u>1,450</u>

Auditor's remuneration - other fees:

- Taxation services	1,400	1,475
- Other services	<u>10,315</u>	<u>6,016</u>
	<u>11,715</u>	<u>7,491</u>

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2012

4. Particulars of employees

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

	2012	2011
	No	No
Number of administrative staff	10	8
Number of management staff	5	5
	<u>15</u>	<u>13</u>

The aggregate payroll costs of the above were:

	2012	2011
	£	£
Wages and salaries	977,625	814,965
Social security costs	108,170	85,725
Other pension costs	15,976	9,029
	<u>1,101,771</u>	<u>909,719</u>

5. Directors' remuneration

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

	2012	2011
	£	£
Remuneration receivable	<u>595,417</u>	<u>585,834</u>

Remuneration of highest paid director:

	2012	2011
	£	£
Total remuneration (excluding pension contributions)	<u>130,000</u>	<u>125,000</u>

6. Interest payable and similar charges

	2012	2011
	£	£
Interest payable on bank borrowing	<u>76</u>	<u>-</u>

7. Taxation on ordinary activities

(a) Analysis of charge in the year

	2012	2011
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 20% (2011 - 20%)	<u>267</u>	<u>-</u>
Total current tax	<u>267</u>	<u>-</u>

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2012

7. Taxation on ordinary activities (*continued*)

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2011 - 20%).

	2012 £	2011 £
Profit/(loss) on ordinary activities before taxation	<u>17,272</u>	<u>(205,012)</u>
Profit/(loss) on ordinary activities by rate of tax	3,454	(41,002)
Accelerated capital allowances	846	(1,988)
Expenses disallowed	1,127	915
Adjustment for pension provision	747	525
Losses carried forward	<u>(5,907)</u>	<u>41,550</u>
Total current tax (note 7(a))	<u>267</u>	<u>-</u>

(c) Factors that may affect future tax charges

A deferred tax asset of £62,645. (2011:£67,042) exists at the year end which has not been recognised in the accounts. This has arisen from £61,433. (2011: £67,240) trading losses carried forward net of £1,212. (2011:plus £198) other timing differences.

8. Pension contributions

The company pays premiums into personal pension schemes on behalf of employees. Pension contributions of £15,976 (2011: £9,029) were charged during the year, and contributions amounting to £15,680 (2011: £11,943) were outstanding at the year end.

9. Tangible fixed assets

	Fixtures & Fittings £	Computer Equipment £	Total £
Cost			
At 1 November 2011	6,156	30,499	36,655
Additions	<u>545</u>	<u>5,332</u>	<u>5,877</u>
At 31 October 2012	<u>6,701</u>	<u>35,831</u>	<u>42,532</u>
Depreciation			
At 1 November 2011	1,643	17,492	19,135
Charge for the year	<u>1,286</u>	<u>4,742</u>	<u>6,028</u>
At 31 October 2012	<u>2,929</u>	<u>22,234</u>	<u>25,163</u>
Net book value			
At 31 October 2012	<u>3,772</u>	<u>13,597</u>	<u>17,369</u>
At 31 October 2011	<u>4,513</u>	<u>13,007</u>	<u>17,520</u>

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2012

10. Debtors

	2012 £	2011 £
Trade debtors	51,633	45,982
Prepayments and accrued income	183,246	85,324
	<u>234,879</u>	<u>131,306</u>

11. Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	15,520	69,090
Corporation tax	267	—
PAYE and social security	38,202	30,345
VAT	10,372	5,002
Other creditors	2,100	14,476
Accruals and deferred income	37,934	33,191
	<u>104,395</u>	<u>152,104</u>

12. Commitments under operating leases

At 31 October 2012 the company had annual commitments under non-cancellable operating leases as set out below.

	2012 Land and buildings £	Other Items £	2011 Land and buildings £	Other Items £
Operating leases which expire:				
Within 1 year	16,254	-	-	-
Within 2 to 5 years	-	-	43,000	2,996
	<u>16,254</u>	<u>-</u>	<u>43,000</u>	<u>2,996</u>

13. Related party transactions

Mr R Sullivan, who was a director of Aubrey Capital Management Limited ("ACM") during the year, is also a director of Treasury Group of Australia ("TG") with whom ACM has formed a strategic partnership. TG also holds 100% of the A and B shares in the company.

During the year ended 31 October 2012, ACM was reimbursed by TG for £147,678 (2011: £15,011) of salary costs incurred on its behalf.

In the same period ACM was invoiced by TG for investment management services amounting to £11,826 (2011: £66,470).

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2012

14. Share capital

Allotted, called up and fully paid:

	2012 No	£	2011 No	£
170,500 Ordinary shares of £0.01 each	170,500	1,705	170,500	1,705
42,625 Convertible A shares of £0.01 each	42,625	426	42,625	426
30,477 Convertible B 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.

15. 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 November 2011	2,436	736,206	(362,061)	376,581
Profit for the year	—	—	17,005	17,005
Balance carried forward 31 October 2012	<u>2,436</u>	<u>736,206</u>	<u>(345,056)</u>	<u>393,586</u>

16. Notes to the cash flow statement

Reconciliation of operating profit/(loss) to net cash outflow from operating activities

	2012 £	2011 £
Operating profit/(loss)	16,015	(207,373)
Depreciation	6,028	3,437
Increase in debtors	(103,573)	(49,213)
(Decrease)/increase in creditors	(47,976)	66,490
Net cash outflow from operating activities	<u>(129,506)</u>	<u>(186,659)</u>

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2012

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

Returns on investments and servicing of finance

	2012 £	2011 £
Interest received	1,333	2,361
Interest paid	<u>(76)</u>	<u>—</u>
Net cash inflow from returns on investments and servicing of finance	<u>1,257</u>	<u>2,361</u>

Capital expenditure

	2012 £	2011 £
Payments to acquire tangible fixed assets	<u>(5,877)</u>	<u>(12,456)</u>
Net cash outflow from capital expenditure	<u>(5,877)</u>	<u>(12,456)</u>

Reconciliation of net cash flow to movement in net funds

	2012 £	2011 £
Decrease in cash in the period	<u>(134,126)</u>	<u>(196,754)</u>
Movement in net funds in the period	<u>(134,126)</u>	<u>(196,754)</u>
Net funds at 1 November 2011	<u>379,859</u>	<u>576,613</u>
Net funds at 31 October 2012	<u>245,733</u>	<u>379,859</u>

Analysis of changes in net funds

	At 1 Nov 2011 £	Cash flows £	At 31 Oct 2012 £
Net cash:			
Cash in hand and at bank	<u>379,859</u>	<u>(134,126)</u>	<u>245,733</u>
Net funds	<u>379,859</u>	<u>(134,126)</u>	<u>245,733</u>

17. 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.

The company is also required to make disclosures of certain staff remuneration in compliance with FSA regulations and this is also available on request from Aubrey's registered office.

AUBREY CAPITAL MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2012

18. Ultimate controlling party

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