

COMPANY REGISTRATION NUMBER: SC299239

Aubrey Capital Management Limited
Financial Statements
For the year ended
31 October 2016



Aubrey Capital Management Limited

Financial Statements

For the year ended 31 October 2016

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Aubrey Capital Management Limited
Officers and Professional Advisers

The Board of Directors	Mr A Dalrymple Mrs L A Thornton Mrs S F Bentley Hamlyn Mr B M McCorkell Mr S J Milne Mr I J Blair
Company Secretary	Mr B M McCorkell
Registered Office	10 Coates Crescent Edinburgh EH3 7AL
Auditor	Chiene + Tait LLP 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

Strategic Report

For the year ended 31 October 2016

The Directors' present their strategic report for Aubrey Capital Management Limited for the year ended 31 October 2016.

REVIEW AND ANALYSIS OF THE BUSINESS DURING THE CURRENT YEAR

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

Key performance indicators

The Company is reporting a profit of £6,259 for the financial year to 31 October 2016. Funds under Management have increased from £349m as at 31 October 2015 to £376m as at 31 October 2016.

Development and financial performance during the year and future developments

The profit for the year, after taxation, amounted to £6,259.

It was another year of volatile markets, politics and currencies but the Company again increased its client base and product range. The Directors look forward positively to a future accessing new markets and business opportunities.

Financial position at the reporting date

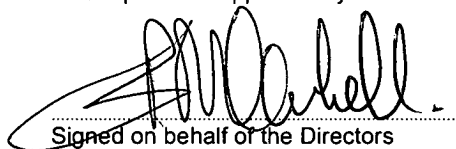
The balance sheet shows that the Company's net assets at the year end have increased from £927,397 to £933,656.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE BUSINESS

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.

APPROVAL

This report was approved by the board on 20 February 2017 and signed on its behalf by:



Signed on behalf of the Directors
Mr B M McCorkell

Company Secretary

Aubrey Capital Management Limited

Directors' Report

For the year ended 31 October 2016

The Directors present their report and the financial statements of the company for the year ended 31 October 2016.

Directors

The Directors who served the company during the year were as follows:

Mr A Dalrymple
Mrs L A Thornton
Mrs S F Bentley Hamlyn
Mr B M McCorkell
Mr S J Milne
Mr I J Blair

Dividends

The Directors do not recommend the payment of a dividend.

Future developments

Future plans and developments are set out in the Strategic Report on page 2.

Disclosure of information in the strategic report

The strategic report is set out on page 2.

Financial instruments

The Company's activities expose it to a number of financial risks including credit risk, foreign currency risk and liquidity risk.

Credit risk

The Company's principal financial assets are bank balances and investments. The credit risk on liquid funds and investments with financial institutions is limited because the counterparties are financial institutions with high credit ratings assigned by international credit rating agencies.

Foreign currency risk

The Company's principal foreign currency exposures arise from trading operations in overseas markets. The Company reviews exposure to foreign currencies on a regular basis by considering the effect on the Company's net asset value and income of a movement in rates of exchange to which the Company's assets, liabilities, income and expenses are exposed. It is currently not the Company's policy to hedge against foreign currency risk. Foreign currency exposure and sensitivity analysis has been detailed in note 21 to the financial statements.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company reviews cash requirements on a regular basis and holds funds in current or deposit accounts as appropriate.

Aubrey Capital Management Limited

Directors' Report

For the year ended 31 October 2016

Directors' responsibilities statement

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 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;
- 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.

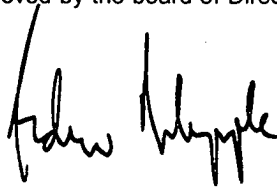
Auditor

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

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all 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 auditor is aware of that information.

This report was approved by the board of Directors on 20 February 2017 and signed on behalf of the board by:

Mr A Dalrymple
Director



Aubrey Capital Management Limited

Independent Auditor's Report to the Shareholders of Aubrey Capital Management Limited

For the year ended 31 October 2016

We have audited the financial statements of Aubrey Capital Management Limited for the year ended 31 October 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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)*

For the year ended 31 October 2016

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 LLP
Chartered accountants & statutory auditor
61 Dublin Street
Edinburgh
EH3 6NL

23.2.17

Aubrey Capital Management Limited**Statement of Comprehensive Income****For the year ended 31 October 2016**

	Note	2016 £	2015 £
Turnover	3	2,134,501	2,336,650
Administrative expenses		2,153,378	2,319,490
Operating (loss)/profit	4	(18,877)	17,160
Other interest receivable and similar income		419	672
Gain/(loss) on investments		28,419	(7,832)
(Loss)/profit on ordinary activities before taxation		9,961	10,000
Tax on (loss)/profit on ordinary activities	9	3,702	134
Total comprehensive income for the year		6,259	9,866

All the activities of the company are from continuing operations.

The notes on pages 11 to - 22 - form part of these financial statements.

Aubrey Capital Management Limited

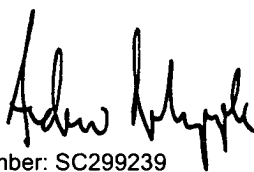
Statement of Financial Position

As at 31 October 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	10	61,941	64,236
Investments	11	184,562	106,007
		<u>246,503</u>	<u>170,243</u>
Current assets			
Debtors	12	388,236	245,989
Cash at bank and in hand		502,414	722,945
		<u>890,650</u>	<u>968,934</u>
Creditors: amounts falling due within one year	13	<u>199,879</u>	<u>211,780</u>
Net current assets		<u>690,771</u>	<u>757,154</u>
Total assets less current liabilities		<u>937,274</u>	<u>927,397</u>
Provisions			
Deferred tax	15	3,618	-
Net assets		<u>933,656</u>	<u>927,397</u>
Capital and reserves			
Called up share capital	18	2,640	2,640
Share premium account	19	1,206,654	1,206,654
Profit and loss account	19	(275,638)	(281,897)
Shareholders funds		<u>933,656</u>	<u>927,397</u>

These financial statements were approved by the board of Directors and authorised for issue on 20 February 2017, and are signed on behalf of the board by:

Mr A Dalrymple
Director



Company registration number: SC299239

The notes on pages 11 to 22 form part of these financial statements.

Aubrey Capital Management Limited

Statement of Changes in Equity

For the year ended 31 October 2016

	Note	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 November 2014		2,640	1,206,654	(291,763)	917,531
Profit for the year				9,866	9,866
Total comprehensive income for the year		—	—	9,866	9,866
At 31 October 2015		2,640	1,206,654	(281,897)	927,397
Loss for the year				6,259	6,259
Total comprehensive income for the year		—	—	6,259	6,259
At 31 October 2016		<u>2,640</u>	<u>1,206,654</u>	<u>(275,638)</u>	<u>933,656</u>

The notes on pages 11 to 22 form part of these financial statements.

Aubrey Capital Management Limited

Statement of Cash Flows

For the year ended 31 October 2016

	2016 £	2015 £
Cash flows from operating activities		
(Loss)/profit for the financial year	6,259	9,866
<i>Adjustments for:</i>		
Depreciation of tangible assets	10,942	12,392
Gain on investments	(28,419)	7,832
Other interest receivable and similar income	(419)	(672)
Tax on (loss)/profit on ordinary activities	3,702	134
Accrued (income)/expenses	(22,645)	63,622
<i>Changes in:</i>		
Trade and other debtors	(142,247)	1,627
Trade and other creditors	10,794	(14,135)
Cash generated from operations	(162,033)	80,666
Interest received	419	672
Tax paid	(134)	—
Net cash (used in)/from operating activities	(161,748)	81,338
Cash flows from investing activities		
Purchase of tangible assets	(8,647)	(4,335)
Purchases of other investments	(50,136)	(113,839)
Net cash used in investing activities	(58,783)	(118,174)
Net decrease in cash and cash equivalents	(220,531)	(36,836)
Cash and cash equivalents at beginning of year	722,945	759,781
Cash and cash equivalents at end of year	502,414	722,945

The notes on pages 11 to 22 form part of these financial statements.

Aubrey Capital Management Limited

Notes to the Financial Statements

For the year ended 31 October 2016

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and with the Companies Act 2006.

Aubrey Capital Management Limited is a company limited by shares that is incorporated and domiciled in Scotland with registered company number SC299239. The registered office is 10 Coates Crescent, Edinburgh, EH3 7AL. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the Company.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for investments as specified in the accounting policies below.

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.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 November 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 23.

Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. In particular antique furniture is considered by the Directors to have an unlimited useful economic life as detailed in the Depreciation accounting policy below and note 10 to the financial statements.

ii) Valuation of SICAV investment

The SICAV investment is considered by the Directors to be a level 3 investment, in that market data is not available to provide a fair value. The carrying amount of the investment is cost as detailed in the Investments accounting policy below and note 11 to the financial statements.

Revenue recognition

Turnover shown in the statement of comprehensive income represents the value of investment management work undertaken during the year, both invoiced and uninvoiced.

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

Accounting policies *(continued)*

Taxation

Taxation expense for the period comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. 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 gives rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are only recognised to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

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

Fixtures & Fittings	-	20% straight line
Computer Equipment	-	25% straight line
Antique Furniture	-	nil

No depreciation is provided on antique furniture as the Company's policy is to maintain its condition and the Directors therefore consider the furniture to have an unlimited useful economic life.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Operating lease rentals

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.

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

Accounting policies *(continued)*

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.

Defined contribution plans

The Company provides for amounts payable to defined contribution pension schemes for certain employees.

Investments

Investments are shown at their market value. The surplus or deficit arising from the annual revaluation is transferred to the statement of comprehensive income.

Investments in funds are measured at fair value as released by the relevant investment manager on the closing day.

Investments where no reliable fair value can be estimated are carried at cost, subject to any provision for impairment.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

3. Turnover

Turnover arises from:

	2016 £	2015 £
Rendering of services	<u>2,134,501</u>	<u>2,336,650</u>

The turnover is attributable to the one principal activity of the Company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2016 £	2015 £
United Kingdom	1,004,968	1,019,747
Rest of Europe	1,053,657	1,242,156
Rest of World	75,876	74,747
	<u>2,134,501</u>	<u>2,336,650</u>

4. Operating (loss)/ profit

Operating profit or loss is stated after charging:

	2016 £	2015 £
Depreciation of tangible assets	10,942	12,392
Foreign exchange differences	(9,025)	8,797
Defined contribution plans expense	73,283	69,029
Operating leases	<u>75,199</u>	<u>61,281</u>

5. Auditor's remuneration

	2016 £	2015 £
Fees payable for the audit of the financial statements	1,985	1,925
Fees payable for taxation services	1,075	1,075
Fees payable for other services	<u>13,805</u>	<u>7,100</u>

6. Particulars of employees

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

	2016	2015
Administrative staff	11	12
Management staff	6	6
	<u>17</u>	<u>18</u>

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

6. Particulars of employees *(continued)*

Staff remuneration for the year net of recharged wages amounted to:

	2016 £	2015 £
Wages & salaries	1,318,291	1,401,441
Social security	156,980	166,741
Pension	73,283	69,029
	<u>1,548,554</u>	<u>1,637,211</u>

7. Key management personnel

The key management personnel includes Mr B McCorkell, Mr A Dalrymple and Mrs S Bentley-Hamlyn. The aggregate remuneration for key management personnel in the year was £531,355 (2015: £694,891). Remuneration levels are set by the Board of Directors.

8. Directors' remuneration

The Directors aggregate remuneration in respect of qualifying services was:

	2016 £	2015 £
Remuneration	705,294	879,712
Company contributions to defined contribution pension plans	15,000	20,000
	<u>720,294</u>	<u>899,712</u>

The number of Directors who accrued benefits under company pension plans was as follows:

	2016 No.	2015 No.
Defined contribution plans	<u>1</u>	<u>1</u>

Remuneration of the highest paid director in respect of qualifying services:

	2016 £	2015 £
Aggregate remuneration	150,000	230,000
Company contributions to defined contribution pension plans	15,000	20,000
	<u>165,000</u>	<u>250,000</u>

9. Tax on (loss)/profit on ordinary activities

Major components of tax expense

	2016 £	2015 £
Current tax:		
UK current tax expense	84	134
Deferred Tax:		
Origination and reversal of timing differences	3,618	--
Tax on (loss)/profit on ordinary activities	<u>3,702</u>	<u>134</u>

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

9. Tax on (loss)/profit on ordinary activities *(continued)*

Reconciliation of tax expense

The tax assessed on the (loss)/profit on ordinary activities for the year is higher (2015: lower) than the standard rate of corporation tax in the UK of 20% (2015: 20%). The differences are reconciled below:

	2016 £	2015 £
(Loss)/profit on ordinary activities before taxation	9,961	10,000
(Loss)/profit on ordinary activities by rate of tax	1,992	1,566
Effect of expenses not deductible for tax purposes	4,038	10,036
Movement in unrecognised deferred tax	(5,946)	-
Utilisation of tax losses	-	(11,468)
Capital gains of fair value adjustment	3,618	-
Tax on (loss)/profit on ordinary activities	3,702	134

Factors affecting the tax charge

A reduction in the UK corporation tax rate from 21% to 20% took effect from 1 April 2015. A further reduction from 20% to 19% was enacted in November 2015 and will take effect from 1 April 2017. A further reduction from 19% to 17% will take effect from 1 April 2020.

The Company has unused trade losses of £205,596. There is no expiry date on the losses. The company has an unrecognised deferred tax asset mainly in respect of these tax losses of £39,961 (2015: £42,408).

Deferred Tax Liability (included in provisions, note 15)

	2016 £	2015 £
Liability at 1 November 2015	-	-
Charged/(credited) to profit or loss	3,618	-
Liability at 31 October 2016	3,618	-

Deferred tax has been provided for in these accounts at 19%.

The deferred tax liability relates to capital gains on fair value adjustments.

The net reversal of deferred tax liabilities in 2017 is not possible to quantify at this stage but this is not expected to be significant.

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

10. Tangible assets

	Antique Furniture £	Fixtures & fittings £	Computer Equipment £	Total £
Cost				
At 1 November 2015	41,186	35,510	33,560	110,256
Additions	-	-	8,647	8,647
At 31 October 2016	41,186	35,510	42,207	118,903
Depreciation				
At 1 November 2015	-	19,893	26,127	46,020
Charge for the year	-	6,086	4,856	10,942
At 31 October 2016	-	25,979	30,983	56,962
Carrying amount				
At 31 October 2016	41,186	9,531	11,224	61,941
At 31 October 2015	41,186	15,617	7,433	64,236

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

11. Investments

	£
Carrying amount	
At 1 November 2015	106,007
Additions	50,136
Revaluation gains	28,419
At 31 October 2016	184,562
Cost	
At 31 October 2016	163,975
At 31 October 2015	113,839

The Company's investment portfolio is held at fair value through profit or loss. The investments are categorised into the FRS 102 hierarchy consisting of the following three levels:

- (1) The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- (2) Inputs other than quoted prices included within Level 1 that are observable (i.e.: developed using market data) for the asset or liability, either directly or indirectly.
- (3) Inputs are unobservable (i.e.: for which market data is unavailable) for the asset or liability.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset.

Details of the valuation techniques used by the Company are given in the investments accounting policy in note 2 to the financial statements.

The following table sets out the fair value measurements using the FRS 102 hierarchy at 31 October.

	2016	2015
Fair Value Hierarchy table	£	£
Level 1	134,426	106,007
Level 3	50,136	–
Total	184,562	106,007

The level 3 investment represents the cost of the Company becoming an initiator of a SICAV (Société d'Investissement à Capital Variable) investment fund. This facilitates the marketing of funds managed by the Company and provides a platform for other investment managers.

12. Debtors

	2016	2015
	£	£
Trade debtors	20,526	40,319
Prepayments and accrued income	367,710	205,670
	388,236	245,989

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

13. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	8,519	3,263
Corporation tax	84	134
Social security and other taxes	73,091	67,553
Accruals and deferred income	118,185	140,830
	<u>199,879</u>	<u>211,780</u>

14. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016 £	2015 £
Included in provisions (note 15)	<u>3,618</u>	<u>—</u>

15. Provisions

	Deferred tax (note 14) £
Additions	<u>3,618</u>
At 31 October 2016	<u>3,618</u>

The provision for deferred taxation consists of the tax effect of timing differences.

16. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £73,283 (2015: £69,029).

17. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	184,562	106,007
Financial assets that are debt instruments measured at amortised cost	<u>20,256</u>	<u>40,319</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(8,519)</u>	<u>(3,264)</u>

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

18. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £0.01 each	181,768	1,818	181,768	1,818
Convertible A shares of £0.01 each	51,795	518	51,795	518
Convertible B shares of £0.01 each	30,477	305	30,477	305
	<u>264,040</u>	<u>2,640</u>	<u>264,040</u>	<u>2,640</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.

19. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account - This reserve records retained earnings and accumulated losses.

20. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Not later than 1 year	60,028	59,303
Later than 1 year and not later than 5 years	72,434	131,737
	<u>132,462</u>	<u>191,040</u>

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

21. Currency risk

Foreign currency exposure

The fair value of the Company's monetary items that have foreign currency exposure at 31 October are shown below. Where the Company's investments (which are not monetary items) are priced in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

	US Dollar £	Australian Dollar £	Euro £	2016 £
Current assets	3,761	2,138	40,998	46,897
Non monetary items - investments held at fair value through profit or loss	76,472	—	—	76,472
Total net foreign currency exposure	<u>80,233</u>	<u>2,138</u>	<u>40,998</u>	<u>123,369</u>

	US Dollar £	Australian Dollar £	Euro £	2015 £
Current assets	8,694	2,630	27,265	38,589
Non monetary items - investments held through profit or loss	57,671	—	—	57,671
Total net foreign currency exposure	<u>66,365</u>	<u>2,630</u>	<u>27,265</u>	<u>96,260</u>

In the opinion of the Directors, the above year end amounts are broadly representative of the exposure to foreign currency risk during the year.

Foreign currency sensitivity

The following table illustrate the sensitivity of return after taxation for the year and net assets with regard to the Company's monetary financial assets and financial liabilities and exchange rates. The sensitivity analysis is based on the Company's monetary currency financial instruments held at each balance sheet date and the income receivable in foreign currency and assumes a 10% (2015: 10%) appreciation or depreciation in Sterling against the Euro, and the other currencies to which the Company is exposed, which is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

	2016 If Sterling strengthens by 10% £	2016 If Sterling weakens by 10% £	2015 If Sterling strengthens by 10% £	2015 If Sterling weakens by 10% £
From turnover receivable for the year	(112,953)	112,953	(131,690)	131,690
From translation of year end monetary balances	<u>(4,690)</u>	<u>4,690</u>	<u>(3,859)</u>	<u>3,859</u>
Impact on total comprehensive income after taxation	<u>(117,643)</u>	<u>117,643</u>	<u>(135,549)</u>	<u>135,549</u>
Impact on net assets	<u>(117,643)</u>	<u>117,643</u>	<u>(135,549)</u>	<u>135,549</u>

In the opinion of the Directors, the above sensitivity analysis is broadly representative of the whole year.

Aubrey Capital Management Limited

Notes to the Financial Statements *(continued)*

For the year ended 31 October 2016

22. Related party transactions

Aubrey Capital Management Limited ("ACM") is engaged in a strategic partnership with Treasury Group of Australia ("TG"). TG also holds 100% of the convertible A and B shares in the Company.

During the year ended 31 October 2016, TG reimbursed ACM salary costs of £255,059 (2015: £282,684) incurred on its behalf. At 31 October 2016, no balance was due from TG (2015: £27,521) for recharged salary costs.

In the same period TG charged ACM for investment management and investment compliance services amounting to £4,992 (2015: £47,116). No balance was outstanding for these services at 31 October 2016.

23. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The Company transitioned to FRS 102 on 1 November 2014.

No transitional adjustments were required in equity or profit or loss for the year, apart from a presentation adjustment in relation to investment gains/losses. Previously these would have been recognised in a revaluation reserve in equity, however under FRS 102 are recognised in the statement of comprehensive income as detailed below:

Reconciliation of reported net profit for the year ended 31 October 2015:

	£
Profit on ordinary activities before taxation as previously reported	17,832
Adjustment for gains/(losses) on investments, now recognised in the Statement of Comprehensive Income	(7,832)
Profit on ordinary activities as restated	<u>10,000</u>

The financial statements for the period ended 31 October 2015 were the last prepared under the old UK GAAP.

24. Pillar 3 disclosures

Aubrey Capital Management Limited ("Aubrey") is authorised and regulated by the Financial Conduct Authority ("FCA"). The FCA 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 FCA regulations and this is also available on request from Aubrey's registered office.

25. Ultimate controlling party

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