Company Registration No. 4162989 (England and Wales)

FUNDROCK PARTNERS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

FUNDROCK PARTNERS LIMITED

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FUNDROCK PARTNERS LIMITED

COMPANY INFORMATION

Directors	Xavier Parain	(appointed 21st January 2019)
	Ross Thomson	(resigned 26th September 2018)
	Victor Ondoro	(appointed 10th January 2019)
	Paul Spendiff	(appointed 9th October 2018)
	Mark Manassee	(resigned 17th June 2019)
	Ann Roughhead	(appointed 1st September 2018, resigned 17th June 2019)
	Serge Ragozin	(appointed 23 January 2019)
	Revel Wood	(resigned 3rd December 2018)
	Marc Wood	(resigned 17th May 2019)
	Chris Spencer	(resigned 1st September 2018)

Secretary Victor Ondoro

Company number 4162989

Registered office 52-54 Gracechurch Street,
London EC3V 0EH, United Kingdom

Auditors Deloitte LLP
Statutory Auditor
110 Queen Street
Glasgow
G1 3BX
United Kingdom

Bankers National Westminster Bank
City of London Office
1 Princes Street
London
EC2R 8BP

Review of the business
The Company aims to profitably facilitate the growth in the amount of funds under its management by supporting its fund sponsors in a professional and cost efficient manner, underpinned by a robust and effective oversight of services ensuring that the interests of investors in those funds are protected.

The Company made significant loss after tax of £1,955,322 (2018: loss £311,706) even though it had a stable level of funds under management. Please refer to going concern section for recovery plan under place.
The loss was driven by the increase in operational expenses and staff cost, notably resulting from investments to align the level of service to the standard of Fundrock Group after its acquisition in 2017 (analysis of the business model and transition to group procedures).

As a consequence of the loss, the company increased its share capital in the fiscal year by £3,715,136 to meet its obligation of capital adequacy and offer a sustainable basis for the development of the company's activities.

The Company's net assets at the year end amounted to £2,997,096 (2018: £1,238,000). The company has benefited in 2019 from an increase in share capital of £3.7m to increase the Company's Capital Adequacy Requirement.

Principal risks and uncertainties
The Company, in common with others in the investment management field, will remain vulnerable to fluctuations in financial markets and the attendant confidence of investors in the Company's products but are confident that, with the development of new products and its developing relationship with new and existing client companies, funds under management are expected to grow.

There is a risk that the impact of triggering Article 50 will continue to create uncertainty over the passporting rights of UK domiciled funds to market within the European Union (EU). This may in turn impact funds under management and ultimately the Company's profits. The majority of the Company's funds market is only within the UK market and not the EU, therefore any impact is estimated to be minimal at this stage.

Financial risk management objectives and policies
The Company's activities expose it to a number of financial risks including credit risk and market risk.

Management of risk is a critical responsibility of the Company in its role as Authorised Corporate Director/Authorised Fund Manager for the Investment Companies with Variable Capital and Unit Trusts which it manages. The Company, as an FCA regulated firm, has established an appropriate Risk Management Framework to ensure that the risks associated with the business are appropriately identified, measured and controlled.

Market risk
The Company's income is primarily a factor of its funds under management. Market risk is the risk that changes in market prices will affect the value of funds under management.

Each fund's market risk is managed on a daily basis by the investment manager in accordance with the fund prospectus and the policies and procedures in place. The Company also monitors the fund's investments on a daily basis and undertakes periodic reviews of the investment managers it utilises.

Credit risk
The Company's principal financial assets are bank balances, cash in hand and debtors.

The Company's credit risk is primarily attributable to its debtors. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Key performance indicators
The amount of funds under management is considered to be the Company's key performance indicator, as the majority of revenue is based on this metric. During the period under review the funds under management remained stable at £7.6 billion (2018: £7.76 billion).

Future Developments
The UK market remains a priority for the Fundrock Group and the broader strategy of the Group anticipates further opportunities from the combined client base of the Group (£69.9 billion Assets under management in Luxembourg, Ireland and the UK as at 31 March 2019).

On behalf of the board,

Xavier Parain
Director

6 September 2019

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report on the affairs of FundRock Partners Limited ("the Company"), together with the financial statements and auditor's report for the year ended 31 March 2019.

Principal activities
The principal activity of the Company is acting as the Authorised Corporate Director (ACD) or Authorised Fund Manager (AFM) for UK collective investment schemes, or more commonly referred to as UK regulated funds. The Company is authorised and regulated by the Financial Conduct Authority (FCA).

The Company is the AFM of the following unit trusts :
Miton Income Fund

The Company is the ACD of the following Investment Companies with Variable Capital:

FP Apollo Multi Asset Management Funds
FP Frontier Investment Management ICVC
FP Octopus Investment Funds
FP Russell Investments ICVC
FP Pictet OEIC
FP Foresight OEIC
FP Crux UCITS OEIC
FP Luceo Investments
FP Octopus Investments UCITS Funds
FP Mattioli Woods Funds ICVC
FP WHEB Asset Management Funds
FP SCDavies Funds
FP CAF Investment Fund
FP Henderson Rowe Index Funds
FP Argonaut Funds
Volare UCITS Portfolios
FP CRUX FUNDS ICVC
Credo Fund ICAV plc
FP Brunel

Corporate social responsibility
The directors recognise that the Company has an impact on, and responsibilities and obligations towards society and aims to reduce environmental impact. The Company is committed to the highest standards of business conduct and has put in place policies and procedures to facilitate the reporting of suspect and fraudulent activities, including money laundering. The Company has put in place a health and safety policy which aims, insofar as is reasonable and practicable, to ensure the health and safety of all employees, visitors and any other person who may be affected by the Company's *operations and provide a safe and healthy working environment.*

Ultimate Controlling Entity
The Company is a wholly owned subsidiary of Fundrock Holding from September 2017, a Company incorporated in Luxembourg.

Future Developments
Details of future developments can be found in the Strategic Report on pages 2 to 3 and form part of this report by cross reference.

Events after the balance sheet date
Details of significant events since the balance sheet date are contained in note 19 to the financial statements.

Directors
The directors, who served throughout the year except as noted, were as follows:

Xavier Parain	(appointed 21st January 2019)
Ross Thomson	(resigned 26th September 2018)
Victor Ondoro	(appointed 10th January 2019)
Paul Spendiff	(appointed 9th October 2018)
Mark Manassee	(resigned 17th June 2019)
Ann Roughhead	(appointed 1st November 2018, resigned 17th June 2019)
Serge Ragozin	(appointed 23 January 2019)
Revel Wood	(resigned 3rd December 2018)
Marc Wood	(resigned 17th May 2019)
Chris Spencer	(resigned 1st September 2018)

Directors' indemnities
The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Dividends
The directors have paid no dividend in 2019 (2018: £1,437,610).

Financial risk management objectives and policies
Details of financial risk management objectives and policies can be found in the Strategic Report on page 2 and form part of this report by cross reference.

Auditor
Each of the persons who is a director at the date of approval of this report confirms that:
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that he/she ought to have taken as director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to re-appoint Deloitte LLP as auditor of the Company will be proposed at the forthcoming Annual General Meeting in accordance with Section 485-488 of the Companies Act 2006.

Going Concern
The Director's have prepared detailed forecasts covering the 3 years to 31 December 2021 to assess the going concern of the Company for the coming 12 months and beyond. As part of the forecasting exercise the directors have prepared and are implementing a turnaround plan to ensure the Company is achieving monthly profits by the end of the financial year to 31 March 2020 and is on track to achieve this.

The forecasts take reasonable assumptions of growth by confirming the development of revenues with the new clients Fundrock Partners onboarded in 2018 and 2019. The UK market remains a priority for the Fundrock Group and the broader strategy of the Group anticipates further opportunities from the combined client base of the Group (£69.9 billion Assets under management in Luxembourg, Ireland and the UK as at 31 March 2019).

In terms of costs, the main recent achievements are
(i) the transformation of the business model, Fundrock Partners Ltd benefiting from the synergies with the group and the creation of share services in Ireland and Luxembourg servicing the UK clients. The directors are convinced that this organization will lead to a better and more stable service to the clients as well as reduce costs of the company
(ii) the convergeance of Fundrock Parners risk and compliance systems to Group systems

To support this transformation, the share capital of the company has been increased by another £700k in June and July 2019, after being increased by £3.715m in the last fiscal year.

The Directors are satisfied that the Company have adequate resources to operate as a going concern for at least 12 months from the date of signing these financial statements, and have prepared the financial statements on that basis.

On behalf of the Board

Xavier Parain
Director

6 September 2019

FUNDROCK PARTNERS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FUNDROCK PARTNERS LIMITED FOR THE YEAR ENDED 31 MARCH 2019

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion on financial statements
In our opinion the financial statements of FundRock Partners Limited (the 'company'):

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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.

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 Financial Reporting Council's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not 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.

We have nothing to report in respect of these matters.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors
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, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FUNDROCK PARTNERS LIMITED FOR THE YEAR ENDED 31 MARCH 2019

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the directors' report.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.

Andrew Partridge

Andrew Partridge (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom

6 September 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £'000s	2018 £'000s
Turnover	3	50,978	51,932
Cost of sales	4	(47,637)	(48,632)
Gross profit		3,341	3,300
Administrative expenses		(5,280)	(3,685)
Operating Loss		(1,939)	(385)
Finance costs (net)	5	(16)	(1)
Loss before taxation	6	(1,955)	(386)
Tax on Loss and total comprehensive loss	9	-	74
Loss for the financial year and total comprehensive loss attributable to the equity shareholders of the Company		(1,955)	(312)

All results have been derived from continuing operations.

The notes on pages 13 to 20 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

Company Registration No. 4162989 (England and Wales)

	Notes	31/03/19 £'000s	31/03/19 £'000s	31/03/18 £'000s	31/03/18 £'000s
Fixed Assets					
Tangible Assets			71		10
Investments	**10**		22		22
Current assets					
Deferred tax		73		74	
Work in progress	**11**	30		202	
Debtors	**12**	80,328		96,131	
Cash at bank and in hand		4,545		2,655	
		84,976		99,062	
Creditors: amounts falling due within one year	**13**	(82,071)		(97,856)	
Net current assets			2,905		1,206
Total assets less current liabilities			2,997		1,238
Net assets			2,997		1,238
Capital and reserves					
Called up share capital	**16**		4,115		400
Capital contribution reserve			1,150		1,150
Profit and loss account and Retained Earnings			(2,268)		(312)
Shareholders' funds			2,997		1,238

The notes on pages 13 to 20 form an integral part of these financial statements.

The financial statements of FundRock Partners Limited were approved by the Board and authorised for issue on September 6, 2019.
They were signed on its behalf by:

Xavier Parain
Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital £'000s	Capital Contribution Reserve £'000s	Profit and loss account £'000s	Total £'000s
At 31 March 2017	**400**	**1,150**	**1,437**	**2,987**
Dividend paid			(1,437)	(1,437)
Total comprehensive loss	-	-	(312)	(312)
At 31 March 2018	**400**	**1,150**	**(312)**	**1,238**
Total comprehensive loss			(1,956)	**(1,956)**
Issue of share capital	**3,715**			**3,715**
At 31 March 2019	**4,115**	**1,150**	**(2,268)**	**2,997**

FUNDROCK PARTNERS LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £'000	2018 £'000
Cash flows from operating activities		
Loss before tax	(1,955)	(386)
Adjustments for:		
- Income tax expense	-	-
- Depreciation, amortisation and impairment charges	1	1
- Movement in the fair value of investments	-	-
Change in working capital:		
- (Increase)/decrease in debtors	15,803	(21,251)
- Increase/(decrease) in creditors	(15,785)	23,923
- (Increase)/decrease in Work in Progress	172	(184)
Cash flows (used in) / generated by operations	(1,764)	2,103
Interest paid	-	(3)
Net cash flows generated by / (used in) operating activities	(1,764)	2,100
Cash flows from investing activities		
Interest received	-	2
Deposits	-	-
Purchase of tangible fixed assets	(61)	(11)
Net cash flows generated by / (used in) investing activities	(61)	(8)
Cash flows from financing activities		
Issue of share capital	3,715	
Dividends paid	-	(1,438)
Net cash flows generated by / (used in) financing activities	3,715	(1,438)
Net increase in cash and cash equivalents	1,890	654
Cash and cash equivalents at beginning of year	2,656	2,001
Cash and cash equivalents at end of year	4,545	2,656

1 General information

FundRock Partners Limited ('the Company') is a private company limited by shares, incorporated in the England & Wales under the Companies Act. The address of the registered office and company registration number are given on page 1. The nature of the Company's operations and its principal activities are set out in the directors' report on page 4.

1.1. Accounting policies

The principal accounting policies are summarised below.They have all been applied consistently throughout the year and to the preceding year.

The functional currency of the Company is considered to be pounds sterling ("GBP") because that is the currency of the economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 .

1.2. Going concern

The financial statements have been prepared using the going concern basis of accounting.

1.3. Revenue recognition

Turnover represents the annual management fees from the funds under management and associated administration services rendered during the period. The Company acts as agent in the sale of shares in authorised investment funds in order to facilitate a market for trading. Fee income is recognised on an accruals basis over the period to which it relates.

1.4. Cost of sales

Cost of sales represents all commissions, investment management and sponsor fees paid by the Company on behalf of the hosted funds.

1.5. Employee benefits

The Company operates a defined contribution pension scheme. The amount charged in the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

1.6. Taxation

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

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

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

1 Accounting policies (continued)

1.7 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

1.7.1 *Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

1.7.2 *Investments*

The Company classifies its investments as financial assets at fair value through profit or loss in line with Section 11 of FRS 102. Investments designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the these investments are presented in the Statement of Comprehensive Income in the period in which they arise.

1 Accounting policies (continued)

1.8 Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

1.9 Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

1.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, 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. 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key source of estimation uncertainty – impairment of debtors

Determining whether debtors are impaired requires an estimation of their value in use to the Company. The value in use calculation requires the entity to estimate the recoverability and expected future cash flows in order to calculate present value. Management closely review the outstanding trade debtors for recoverability, considering aging and payment history. Specific and general bad debt allowances recognised are based on management's best estimates at balance sheet date. The carrying amounts of trade debtors are disclosed in note 12.

3 Turnover

The total turnover of the Company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

	2019 £'000s	2018 £'000s
Companies with Variable Capital	50,978	51,936
Loss on sale of units	-	(3)
Total	50,978	51,932

The Company acts as principal in the sale of units in its authorised unit trusts and investment companies with variable capital, although in substance it is acting as agent.

4 Cost of sales

	2019 £'000s	2018 £'000s
Costs associated with the management of authorised unit trusts and Investment Companies with Variable Capital	47,637	48,632

5 Finance (costs) income - net

	2019 £'000s	2018 £'000s
Interest payable and similar charges	(26)	(3)
Other interest receivable and similar income	10	2
Total	(16)	(1)

6 Loss before tax

	2019 £'000s	2018 £'000s
Loss before taxation is stated after charging/(crediting)		
Foreign exchange gain/(loss)	(54)	16
Fair value gains on investments	-	-

7 Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's financial statements were £29,000 (2018: £29,000) and £22,250 (2018: £22,250) for other assurance services. A further £30,180 was paid for permissable non-audit services (2018: nil).

8 Directors' remuneration

	2019 £'000s	2018 £'000s
Aggregate emoluments for qualifying services	494	312
Pension contributions	15	6
	509	318
Aggregate emoluments of highest paid director	200	205
Pension contribution of highest paid director	8	5
The number of directors who:		
Are members of a direct contribution pension scheme	3	2

9 Taxation

	2019 £'000s	2018 £'000s
Current tax on profit	-	(72)

The current taxation charge for the year is different from the standard rate of corporation tax in the UK. The differences are explained below.

	2019 £'000s	2018 £'000s
Loss before taxation	(1,955)	(386)
Tax on loss at UK Corporation Tax rate of 19% (2018: 19%)	(371)	(74)
Effects of:		
Expenditure not deductible	-	2
Timing differences in recognising expenditure for accounting and tax purposes	-	(2)
Tax losses	371	
Tax on loss at UK Corporation Tax	0	(74)

Finance Act No.2 2015, which was substantively enacted on 26 October 2015, includes provisions to reduce the □ corporation tax to 19% with effect from 1 April 2017 and 18% with effect from 1 April 2020. In addition, the Finance Act 2016 which was substantively enacted on 6th September 2016 introduced a further reduction in the main rate of corporation tax from 18% to 17% from 1 April 2020. Accordingly these rates have been applied when calculating deferred tax assets and liabilities as at 31 March 2019.

The company is recognising the tax effect of the current year losses carried forward as a Deferred Tax Credit of £73,318. There is no expiry date on timing differences, unused tax losses or tax credits.

10 Investments

	2019 £'000s	2018 £'000s
Investments	22	22

	Other Investments £'000s
At 1 April 2018	22
Movement in the fair value of listed investments	-
At 31 March 2019	22

Other investments represent investments in a collective investment scheme managed by the Company.
The fair value of other investments was determined by reference to the quoted market price at the reporting date.

11 Work in progress

	2019 £'000s	2018 £'000s
Work in progress	30	202

Work in progress represents the cost of client funded and transition projects that were in progress at year end.

12 Debtors

	2019 £'000s	2018 £'000s
Trade debtors	79,747	95,580
Amounts owed by parent undertaking	-	-
Amounts owed by related parties	191	160
Other debtors	254	65
Prepayments and accrued income	103	327
Deposits	32	-
	80,328	96,131

Trade debtors include amounts owed by investors to the Company and liquidations owed by the investment funds to the Company as part of the Company's role in facilitating trading in the investment funds it manages.
The amounts owed by the related parties, group and parent undertakings are unsecured, non-interest bearing, and repayable on demand.

13 Creditors: amounts falling due within one year

	2019 £'000s	2018 £'000s
Trade creditors	78,777	95,670
Amounts owed to group undertakings	113	-
Other Creditors	151	69
Accruals and deferred income	3,030	2,117
	82,071	97,856

Trade creditors include amounts owed by the Company to investors and creations owed by the Company to the investment funds as part of the Company's role in facilitating trading in the investment funds it manages.
The Company has no bank overdraft facilities of £nil (2017: £420,000).

14 Financial liabilities

	2019	2018
Measured at undiscounted basis	£'000s	£'000s
- Trade and other creditors	78,928	95,739
	78,928	95,739

14 Financial instruments (continued)

The Company's income, expense, gains and losses in respect of financial instruments are summarised below:

Fair value of financial assets and liabilities
Financial Reporting Standard 102 in relation to the nature of the financial instruments that are measured in the balance sheet at fair value requires them to be put into a fair value measurement hierarchy based on fair value measurement as detailed below:

- (Level 1) Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (Level 2) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- (Level 3) Valuation techniques that include inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The only financial instruments included in the Company's balance sheet that are measured at fair value are level 1.

15 Staff numbers and costs

The average monthly number of employees (including executive directors) was 19 (2018: 20), all engaged in administration.

Their aggregate remuneration comprised:	***2019*** £'000s	***2018*** £'000s
Wages and salaries	2,023	1,905

16 Called -up share capital and reserves

	2019 £'000s	***2018*** £'000s
Allotted, called up and fully paid		
4,115,135 Ordinary shares (2018: 400,000) of £1 each	4,115	400

The Company received short term subordinated loans from FundRock Holding in fiscal year 2019 for a total of £ 3,715,135 . This was converted to issued shares of £1 each.

The Company has one class of ordinary shares which carry no right to fixed income.

Reserves	***2019*** £'000s	***2018*** £'000s
Capital Contribution	1,150	1,150

Reserves only relate to capital contributions of the Company.

The profit and loss reserve represents cumulative profits or losses for the year, net of dividends paid and other adjustments.

17 Financial commitments

At 31 March 2019 the Company has the lease commitment for its offices until November 2021 (2018: £nil).

18 Related party transactions

Transactions with group undertakings

A transfer pricing agreement has been set up between different group entities. Fundrock Partners receives services from FundRock Management Company S.A for an amount of £136,000 and pays Risk, Compliance and oversight services to the Limerick branch £114,000. At the year end £191,391 was outstanding to FundRock management Company and £113,350 was outstanding to Limerick.

19 Subsequent events

The share capital has been increased by £700,000 in June 2019 (£200,000) and July 2019 (£500,000).

20 Controlling party

The Company is a wholly owned subsidiary of FundRock Holding (Fundrock Holding holds also formerly FundRock Management Company S.A.; formerly known as RBS (Luxembourg) S.A.) H2O building, 33, rue de Gasperich L-5826 Hesperange, Luxembourg.

No one individual controls the ultimate parent entity or the Company.