Company Registration No. 02960433 (England and Wales)

CFS MANAGEMENT LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

CFS MANAGEMENT LTD

COMPANY INFORMATION

Director	P A J Mills
Company number	02960433
Registered office	33-34, Alfred Place London WC1E 7DP
Auditor	Fisher, Sassoon & Marks 43 - 45 Dorset Street London W1U 7NA

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STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The director presents the strategic report for the year ended 31 March 2019.

Fair review of the business
The results for the year and the financial position at the year end were considered satisfactory.

The company will continue to explore new avenues of revenue generation.

Development and performance
At the year end the company had net assets of £213,920 (2018 - £114,467).

Key performance indicators
Given the nature of the company's business administration expenses are in the main a fixed cost. Accordingly the operating results are dependent on fees generated from Investment business.

On behalf of the board

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P A J Mills
Director
23/07/2019

The director presents his annual report and financial statements for the year ended 31 March 2019.

Principal activities
The principal activity of the company continued to be that of discretionary fund management and investment advisors.

Director
The director who held office during the year and up to the date of signature of the financial statements was as follows:

A O Harwood	(Resigned 21 September 2018)
P A J Mills	

Results and dividends
The results for the year are set out on page 6.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Financial instruments

Liquidity risk
The company manages its cash requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the businesses.

Credit risk
Investments of cash surpluses are made through banks which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Auditor
The auditor, Fisher, Sassoon & Marks, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of director's responsibilities
The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is 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 director is 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. He is 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.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

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P A J Mills
Director
23/07/2019

CFS MANAGEMENT LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CFS MANAGEMENT LTD

Opinion
We have audited the financial statements of CFS Management Ltd (the 'company') for the year ended 31 March 2019 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The director is 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 this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of our audit:
- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

CFS MANAGEMENT LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CFS MANAGEMENT LTD

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director
As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 him 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.

Jonathan Marks (Senior Statutory Auditor)
for and on behalf of Fisher, Sassoon & Marks

23/07/2019

Chartered Accountants
Statutory Auditor

43 - 45 Dorset Street
London
W1U 7NA

CFS MANAGEMENT LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Turnover	3	208,511	14,326
Administrative expenses		(234,147)	(123,324)
Profit on disposal of "Client base"	4	-	(61,702)
Operating loss	5	(25,636)	(170,700)
Interest receivable and similar income	8	189	418
Amounts written off investments	9	-	(8,402)
Loss before taxation		(25,447)	(178,684)
Tax on loss	10	-	33,947
Loss for the financial year		(25,447)	(144,737)

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

CFS MANAGEMENT LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Loss for the year	(25,447)	(144,737)
Other comprehensive income	-	-
Total comprehensive income for the year	(25,447)	(144,737)

CFS MANAGEMENT LTD

BALANCE SHEET

AS AT 31 MARCH 2019

		2019		2018	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Tangible assets	**11**		4,631		4,165
Current assets					
Debtors	**13**	19,752		13,614	
Cash at bank and in hand		218,200		103,905	
		237,952		117,519	
Creditors: amounts falling due within one year	**14**	(28,663)		(7,217)	
Net current assets			209,289		110,302
Total assets less current liabilities			213,920		114,467
Capital and reserves					
Called up share capital	**16**		125,000		100
Profit and loss reserves			88,920		114,367
Total equity			213,920		114,467

The financial statements were approved by the board of directors and authorised for issue on 23/7/2019 and are signed on its behalf by:

P A J Mills
Director

Company Registration No. 02960433

CFS MANAGEMENT LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2017		186,000	259,104	445,104
Period ended 31 March 2018:				
Loss and total comprehensive income for the year		-	(144,737)	(144,737)
Redemption of shares	**16**	(185,900)	-	(185,900)
Balance at 31 March 2018		100	114,367	114,467
Period ended 31 March 2019:				
Loss and total comprehensive income for the year		-	(25,447)	(25,447)
Issue of share capital	**16**	124,900	-	124,900
Balance at 31 March 2019		125,000	88,920	213,920

CFS MANAGEMENT LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	19		(8,437)		15,596
Income taxes paid			-		(46,675)
Net cash outflow from operating activities			(8,437)		(31,079)
Investing activities					
Purchase of tangible fixed assets		(2,357)		(829)	
Proceeds on disposal of fixed asset investments		-		177,423	
Proceeds from other investments and loans		-		(8,401)	
Interest received		189		31	
Dividends received		-		387	
Net cash (used in)/generated from investing activities			(2,168)		168,611
Financing activities					
Proceeds from issue of shares		124,900		-	
Redemption of shares		-		(185,900)	
Net cash generated from/(used in) financing activities			124,900		(185,900)
Net increase/(decrease) in cash and cash equivalents			114,295		(48,368)
Cash and cash equivalents at beginning of year			103,905		152,273
Cash and cash equivalents at end of year			218,200		103,905

1 Accounting policies

Company information

CFS Management Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 33-34, Alfred Place, London, WC1E 7DP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for undertaking discretionary fund management and investment advice net of VAT and client rebates.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25 % - 33 % reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1 Accounting policies **(Continued)**

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

1 Accounting policies **(Continued)**

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities
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.

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies **(Continued)**

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019	2018
	£	£
Turnover analysed by class of business		
Fee receivable	208,511	14,326

	2019	2018
	£	£
Other significant revenue		
Interest income	189	31
Dividends received	-	387

	2019	2018
	£	£
Turnover analysed by geographical market		
UK	208,511	14,326

4 Exceptional costs/(income)

	2019	2018
	£	£
Sale of client base	-	61,702

In the prior year the company disposed off its client base under the terms of SPA. The company agreed a final settlement which resulted in the deferred consideration being reduced by £61,702 in exchange for immediate settlement.

5 Operating loss

Operating loss for the year is stated after charging:	2019 £	2018 £
Exchange losses	10,795	-
Fees payable to the company's auditor for the audit of the company's financial statements	4,500	4,500
Depreciation of owned tangible fixed assets	1,892	1,702
Operating lease charges	25,896	7,018

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £10,795 (2018 - £-).

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Financial services and management	2	2
Administration	3	3
	5	5

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	103,715	44,338
Social security costs	2,040	-
Pension costs	1,362	1,827
	107,117	46,165

7 Director's remuneration

	2019 £	2018 £
Remuneration for qualifying services	27,600	6,000
Company pension contributions to defined contribution schemes	-	1,445
	27,600	7,445

8 Interest receivable and similar income

	2019	2018
	£	£
Interest income		
Interest on bank deposits	189	31
Other income from investments		
Dividends received	-	387
Total income	189	418

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	189	31

9 Amounts written off investments fixed asset investments

	2019	2018
	£	£
Amounts written back to/(written off) investments held at fair value	-	(8,402)

10 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	-	(33,947)

The actual charge/(credit) for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	£	£
Loss before taxation	(25,447)	(178,684)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(4,835)	(33,950)
Tax effect of expenses that are not deductible in determining taxable profit	-	340
Losses on discontinued operations not recognised	4,974	-
Effect of change in corporation tax rate	-	(1,786)
Permanent capital allowances in excess of depreciation	(139)	(231)
Effect of revaluations of investments	-	1,680
Taxation charge/(credit) for the year	-	(33,947)

11 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 April 2018	35,551
Additions	2,357
At 31 March 2019	37,908
Depreciation and impairment	
At 1 April 2018	31,385
Depreciation charged in the year	1,892
At 31 March 2019	33,277
Carrying amount	
At 31 March 2019	4,631
At 31 March 2018	4,165

12 Financial instruments

	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,500	-
Carrying amount of financial liabilities		
Measured at amortised cost	22,348	5,332

13 Debtors

	2019	2018
Amounts falling due within one year:	£	£
Corporation tax recoverable	1,947	1,947
Other debtors	1,500	247
Prepayments and accrued income	16,305	11,420
	19,752	13,614

14 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	434	152
Taxation and social security	6,315	1,885
Other creditors	201	180
Accruals and deferred income	21,713	5,000
	28,663	7,217

15 Retirement benefit schemes

	2019	2018
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	1,362	1,827

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

16 Share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
125,000 (2018: 100) Ordinary shares of £1 each	125,000	100

During the year 124,900 ordinary shares with a par value of £1 each were allotted to existing shareholders.

17 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019	2018
	£	£
Within one year	22,600	22,600
Between two and five years	62,227	84,827
	84,827	107,427

18 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019	2018
	£	£
Aggregate compensation	27,600	6,000

19 Cash generated from operations

	2019	2018
	£	£
Loss for the year after tax	(25,448)	(144,737)
Adjustments for:		
Taxation charged/(credited)	-	(33,947)
Investment income	(189)	(418)
Depreciation and impairment of tangible fixed assets	1,892	1,702
Amounts written off investments	-	8,402
Movements in working capital:		
(Increase)/decrease in debtors	(6,138)	252,446
Increase/(decrease) in creditors	21,446	(67,852)
Cash (absorbed by)/generated from operations	(8,437)	15,596

CFS MANAGEMENT LTD

CAPITAL REQUIREMENTS DIRECTIVE PILLAR 3 DISCLOSURE

FOR THE YEAR ENDED 31 MARCH 2019

Capital requirements directive Pillar 3 disclosure

Verification

This information has not been audited by the Company's external auditors and does not constitute any form of financial statement and must not be relied upon in making any judgement on CFS Management Ltd.

Introduction

Regulatory Context

The Capital Requirements Directive ('the Directive') of the European Union establishes a revised regulatory capital framework across Europe governing the amount and nature of capital that must be maintained by credit institutions and investment firms. In the United Kingdom, the Directive has been implemented by the Financial Conduct Authority ('FCA') in its regulations through the General Prudential Sourcebook ('GENPRU') and the Prudential Sourcebook for Investment Firms ('IFPRU').

Frequency

The Firm will be making Pillar 3 disclosures annually. The disclosures will be as at the Accounting Reference Date ("ARD") which is currently 31 March.

Media and Location

The disclosure is published only in our Accounts and will be available from the Registered office on request.

Materiality

The Firm regards information as material in disclosures if its omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purpose of making economic decisions. If the Firm deems a certain disclosure to be immaterial, it may be omitted from this statement.

Risk Management

The Firm is mindful of the FCA's comments regarding confidentiality and of the comment that both qualitative and quantitative data must be disclosed.

As such, the Firm's policy is to disclose that information required under the FCA Rules but to treat further information as proprietary if sharing that information with the public would undermine its competitive position. Proprietary information may include information on products or systems which, if shared with competitors, would render the Firm's investments therein less valuable. Further, the Firm will regard information as confidential if there are obligations to customers or other counterparty relationships binding the Firm to confidentiality. In the event that any such information is omitted, we shall disclose such and explain the grounds why it has not been disclosed.

The new FCA framework consists of three pillars. Pillar 1 deals with minimum capital requirements; Pillar 2 deals with Internal Capital Adequacy Assessment Process ("ICAAP") undertaken by a firm and the Supervisory Review and Evaluation Process through which the firm and regulator satisfy themselves on the adequacy of capital held by the Firm in relation to the risks it faces and; Pillar 3 which deals with public disclosure of risk management policies, capital resources, capital requirements and remuneration policy. The regulatory aim of the disclosure is to improve market discipline and transparency.

The Firm is a limited license firm primarily acts as discretionary fund managment and investment advisors.

The Firm's key risks have been identified and grouped as either foreign currency risk, credit, business or operational risks. The Firm has assessed these risks in its ICAAP and has set out appropriate actions to manage them.

·Foreign currency position risk required @ 8%. Risk weighted exposure amount £6,493. The Company currently keeps a portion of its total cash in foreign currencies (primarily EUR) to diversify its currency risk away from GBP in case of a hard Brexit occuring. As company is required to maintain regurlatory capital of atleast EUR 125,000 keeping a significant portion of this capital in EUR could mitigate the risk of breaching CRD requirements in the event of a signifiacant GBP devaluation. This is a temporary measure and company is following the Brexit developments closely and will adjust its FX and CRD risks accordingly.

Credit Risk and counter party Credit Risk

The Firm's principal exposure to credit risk is the risk that fees cannot be collected and the exposure to banks where cash held is deposited.

The Firm holds all cash with Banks assigned high credit ratings. Consequently risk of past due or impaired exposures is minimal. The firm's business model utilise client settlement accounts held under trust with counterparties reducing the risk of CCR in the event of a counterparty defaulting.

Business risk

By its nature of fund management and investment advisory firm has a higher business risk than some other types of business. However within this context the Firm again has a conservative business risk appetite.

Currently the Firm has a simple business strategy and the main business risk is the loss of client business.

Operational Risk

This incorporates stringed I.T. controls and processes undertaken as well as the regulatory and contingency planning done at the Firm level. Our operational risk appetite is conservative and, as a result, we invest to mitigate such risks.

Our staffing levels also provide a level of contingency cover in all critical business areas.

The Firm has documented contingency planning and disasters recovery procedures and these are regularly reviewed and tested.

We also aim to keep all aspects of our operations as simple as possible.

Corporate Background

The Firm

The Firm is incorporated in the UK and is authorised and regulated by the FCA. The Firm's activities give it the IFPRU categorisation of a "Limited Licence" and a "IFPRU €125K" firm.

As a Limited Licence Firm we are considered a Proportionality tier three firm for the purposes of the FCA's Remuneration Code.

The Firm is not a member of a UK Consolidation Group and as such this document covers the Firm on a solo basis.

Risk Management and Risk Categories

For its Pillar 1 regulatory capital calculation of Credit Risk, under the credit risk capital component the Firm has adopted the Standardised approach and calculating risk weights.

Credit Risk calculation @ 31 March 2019

Credit Risk Capital Requirement £5,057.

Risk Management Objective
The Firm has a risk management objective to develop systems and controls to mitigate risk to within its conservative risk appetite.

Risk Framework
The Managing Board is responsible for risk management and reviews the effectiveness of the Firm's system of internal controls to manage and mitigate the risks identified.

Overall Pillar 2 Rule
The Firm has adopted the "Structured" approach to the calculation of its ICAAP Capital Resources Requirement as outlined in the Committee of European Banking Supervisors Paper, 25 January 2006.

The ICAAP is reviewed by the Managing Board of the Firm annually, or when a material change to the business occurs.

Disclosure: Credit Risk and Dilution Risk

The Firm is primarily exposed to Credit Risk from the risk of non-collection of fees and the exposure to banks where cash held is deposited.

The Firm holds all cash with an A rated UK bank.

See above (Capital Requirement) for calculation of credit risk as at 31 March 2019.

Operational Risk

The Firm's Fixed Overhead Requirement (FOR) is disclosed as a proxy for the Pillar 1 Operational Risk Capital calculation. The Firm's Pillar 1 Capital Resources Requirement is the higher of FOR/the sum of Market Risk and Credit Risk Requirement.

Fixed Overhead Requirement

£55,838.

Disclosures: Exposures to Interest Rate Risk in the Non-Trading Book

Although the Firm has substantial cash balances on its Balance Sheet, there is currently no significant exposure to Interest Rate fluctuations.

Disclosures: Remuneration

The FCA defines Remuneration Code Staff ("Code Staff") in SYSC 19A.3.4 as senior management, risk takers, staff engaged in control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as those detailed above, whose professional activities have a material impact on the firm's risk profile.

The Firm has decided to treat all Directors as Code Staff.

The Managing Board will consider the need to add any new joiners to the list of Remuneration Code Staff during the year.

Application

Based on the Firm's profile we have defined ourselves as a Proportionality Tier Three investment firm ("Tier Three Firm") and adopted a proportioned approach to our remuneration policy. We have considered our individual needs on an ongoing basis and where appropriate disapplied certain provisions in accordance with FCA and CEBS/EBA guidance. The Managing Board will review any provisions which have been disapplied on at least an annual basis, to ensure that it continues to be appropriate.

Information concerning the decision-making process

Due to the size of the Company, we do not consider it appropriate to have a separate remuneration committee. Instead this function is undertaken by the Managing Board. This will be kept under review and should the need arise, the Company will consider amending this arrangement to provide greater independent review.

The Directors are members of the Managing Board and also jointly have an equal voting interest in the Company.

The Managing Board of CFS Management Ltd is responsible for ensuring that the remuneration policy is developed to align with its risk tolerance. No external consultants assisted in this review. Any person with a question regarding the policy or disclosures made under this policy should refer to the Directors who are members of the Managing Board.

Information on the link between pay and performance

A key objective in utilising the Company's structure was to align the interests of the directors with the overall goal of achieving the best performance over the long-term for the Company.

Aggregate Value of Directors' fees for period to 31 March 2019

Based on the profile of the Company we consider we have one business area, investment management and all Directors, as Code Staff, have responsibilities that typically fall within job titles FCA guidance indicated would suggest they are senior personnel whose role impacts the risk profile of the Company.

As such, to comply with the FCA remuneration disclosure requirement, we disclose, as per the audited accounts of the Firm, the total Directors' fees which, for the period to 31 March 2019 was £27,600.