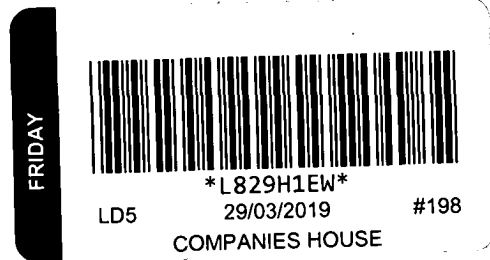


Company Registration No. 06634506 (England and Wales)

GALLIUM FUND SOLUTIONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018



GALLIUM FUND SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	A Norris R Cooney R Skelton E Hughes A F Norris
Secretary	M Watts
Company number	06634506
Registered office	Gallium Fund Solutions Limited Gallium House, Unit 2, Station Court Borough Green Sevenoaks Kent TN15 8AD
Auditor	Beavis Morgan Audit Limited 82 St John Street London EC1M 4JN

GALLIUM FUND SOLUTIONS LIMITED

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Statement of changes in equity	8
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GALLIUM FUND SOLUTIONS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2018

The directors present the strategic report for the year ended 30 June 2018.

Fair review of the business

The directors are disappointed to report a loss for the first time in the Company's history. This is due to the exceptional costs incurred in dealing with issues arising from the activities of the Company's appointed representatives and associated costs of professional advisers.

The Company's income is higher than projected and goes part way to off-set the higher costs. However, the directors are deeply concerned about the damage to the Company's reputation as a result of the unfair reporting in respect of its appointed representatives. In order to meet the additional costs in the short to medium term, then the directors must secure new sources of income or reduce other operating costs.

The Company is offering a much broader variety of services, deepening client relationships, continuing cost management and investment in effective technology. The Company will continue to try to adapt and progress with all the regulatory change and explore new business opportunities.

Key performance indicators	2018	2017
Operating profit margin	(8.8)%	0.7%
Net fee and commission income	1,672,290	1,582,444
Return on capital employed	(39)%	2.3%

Principal risks and uncertainties

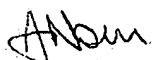
The Company is exposed to liquidity risk, credit risk and interest rate risk. However, there are no external borrowings of the company, and therefore the liquidity and interest rate risks are not considered material.

The Company's principal financial assets are cash and trade receivables. Therefore, the Company's credit risk is primarily attributable to its trade receivables. The Company's approach to managing the credit risk is to monitor these trade receivables and make an allowance for impairment when there is objective evidence that the Company will not be able to collect all amounts according to the general terms of the receivables concerned.

The directors have identified that the issues arising from the activities of the appointed representatives have increased the operational risk. This has the potential to increase costs of professional advisers in the short term.

Pillar 3 disclosure will be made available upon request to Gallium Fund Solutions Limited.

On behalf of the board


.....
A Norris
Director
25.10.18
.....

GALLIUM FUND SOLUTIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2018

The directors present their annual report and financial statements for the year ended 30 June 2018.

Principal activities

The principal activity of the company continued to be that of establishing and operating collective investment schemes and providing fund management services as an authorised Alternative Investment Fund Manager. The company is authorised by the Financial Conduct Authority number 487176.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Norris
R Cooney
R Skelton
E Hughes
A F Norris

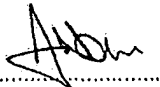
Results and dividends

Dividends of £nil (2017: £nil) were paid during the year.

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



A Norris

Director

Date: 25.10.18

GALLIUM FUND SOLUTIONS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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;
- 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.

Under the Companies Act 2006, s454, on a voluntary basis, the directors can amend these financial statements if they subsequently prove to be defective.

GALLIUM FUND SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GALLIUM FUND SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Gallium Fund Solutions Limited (the 'company') for the year ended 30 June 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 30 June 2018 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.

Material uncertainty related to going concern

We draw attention to note 1.2 of the financial statements, which sets out matters which indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 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 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.

GALLIUM FUND SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GALLIUM FUND SOLUTIONS LIMITED

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

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.

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: <https://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 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.



Richard Thacker (Senior Statutory Auditor)
for and on behalf of Beavis Morgan Audit Limited

25/10/18
.....

Chartered Accountants
Statutory Auditor

82 St John Street
London
EC1M 4JN

GALLIUM FUND SOLUTIONS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
Turnover	3	1,672,290	1,582,444
Cost of sales		(467,658)	(513,901)
Gross profit		1,204,632	1,068,543
Administrative expenses		(1,352,336)	(1,057,342)
Operating (loss)/profit	4	(147,704)	11,201
Interest receivable and similar income	6	3,411	519
(Loss)/profit before taxation		(144,293)	11,720
Taxation	7	4,374	(3,410)
(Loss)/profit for the financial year		(139,919)	8,310
Total comprehensive income for the year		(139,919)	8,310

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

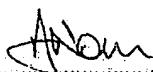
GALLIUM FUND SOLUTIONS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	8		17,010		27,229
Current assets					
Debtors	10	277,612		488,215	
Cash at bank and in hand		317,135		187,353	
		<u>594,747</u>		<u>675,568</u>	
Creditors: amounts falling due within one year	11	<u>(228,459)</u>		<u>(179,580)</u>	
Net current assets			<u>366,288</u>		<u>495,988</u>
Total assets less current liabilities			<u>383,298</u>		<u>523,217</u>
Capital and reserves					
Called up share capital	12	100,000		100,000	
Profit and loss reserves		283,298		423,217	
Total equity		<u>383,298</u>		<u>523,217</u>	

The financial statements were approved by the board of directors and authorised for issue on 25.10.18 and are signed on its behalf by:


A Norris
Director

Company Registration No. 06634506

GALLIUM FUND SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 July 2016	100,000	414,907	514,907
Year ended 30 June 2017:			
Profit and total comprehensive income for the year	-	8,310	8,310
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2017	100,000	423,217	523,217
Year ended 30 June 2018:			
Loss and total comprehensive income for the year	-	(139,919)	(139,919)
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2018	<u>100,000</u>	<u>283,298</u>	<u>383,298</u>

GALLIUM FUND SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Company information

Gallium Fund Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is Gallium Fund Solutions Limited, Gallium House, Unit 2, Station Court, Borough Green, Sevenoaks, Kent, TN15 8AD.

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. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;

The financial statements of the company are consolidated in the financial statements of Gallium Funds Solutions Group Limited. These consolidated financial statements are available from its registered office, Gallium House, Unit 2 Station Court, Borough Green, Sevenoaks, Kent TN15 8AD.

1.2 Going concern

The financial statements are prepared on the going concern basis, which the directors consider to be appropriate.

As highlighted in the Strategic Report, the company has incurred exceptional costs in dealing with issues arising from the activities of the company's authorised representatives. The directors believe that the Company will ultimately resolve these issues but the company will incur additional costs in the short to medium term, which will require the company to secure new sources of income or to reduce other operating costs.

There is uncertainty regarding the length of time to be taken and costs to be incurred in resolving the issues with the appointed representatives. These matters give rise to a material uncertainty relating to events or conditions that may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would be required were the going concern basis to cease to be appropriate.

1.3 Turnover

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

Turnover represents amounts receivable for asset management services provided, net of VAT, where applicable, including initial and launch fees, operator fees, administration fees, liquidating trust fees and investment management fees. Fees are recognised as services are delivered.

GALLIUM FUND SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

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 and fittings	25% straight line
Computer equipment	25% straight line

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.

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' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position 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.

GALLIUM FUND SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

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.

Impairment of financial assets

Financial assets 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.

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 and loans from fellow group companies 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 receipts 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 non-current trade creditors are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

GALLIUM FUND SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED).

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.8 Equity instruments

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

1.9 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

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 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.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

GALLIUM FUND SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

2 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 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.

Judgement has been required when deciding whether outstanding debtors are recoverable and whether there is any need for provisions against bad debts.

Depreciation charges are based upon a judgement made by management of the useful economic life of particular assets. The depreciation policies chosen are deemed to be reasonable based upon management's experience and knowledge of the business.

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:

	2018 £	2017 £
Turnover analysed by class of business		
Operation of collective investment schemes	1,374,397	1,386,969
AIFM and investment management fees	297,893	195,475
	<u>1,672,290</u>	<u>1,582,444</u>

	2018 £	2017 £
Other significant revenue		
Interest income	<u>3,411</u>	<u>519</u>

4 Operating (loss)/profit

	2018 £	2017 £
Operating (loss)/profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	33,500	25,000
Depreciation of owned tangible fixed assets	16,110	13,912
Operating lease rentals	<u>23,865</u>	<u>27,270</u>

5 Employees

Number of employees

There were no employees during the year apart from the directors.

GALLIUM FUND SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

6 Interest receivable and similar income

	2018 £	2017 £
Interest income		
Interest on bank deposits	3,411	519

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	3,411	519
--	-------	-----

7 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	-	4,374
Adjustments in respect of prior periods	(4,374)	(964)
Total current tax	(4,374)	3,410

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

	2018 £	2017 £
(Loss)/profit before taxation	(144,293)	11,720
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.00%)	(27,416)	2,227
Tax effect of expenses that are not deductible in determining taxable profit	3,358	5,119
Unutilised tax losses carried forward	22,116	-
Group relief	-	(4,188)
Permanent capital allowances in excess of depreciation	(1,119)	(1,593)
Depreciation on assets not qualifying for tax allowances	3,061	2,643
Under/(over) provided in prior years	(4,374)	(964)
Tax at marginal rate	-	166
Taxation (credit)/charge for the year	(4,374)	3,410

GALLIUM FUND SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

8 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 July 2017	36,272	23,273	59,545
Additions	-	5,891	5,891
At 30 June 2018	36,272	29,164	65,436
Depreciation and impairment			
At 1 July 2017	20,089	12,227	32,316
Depreciation charged in the year	9,068	7,042	16,110
At 30 June 2018	29,157	19,269	48,426
Carrying amount			
At 30 June 2018	7,115	9,895	17,010
At 30 June 2017	16,183	11,046	27,229

9 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	154,255	391,078
Carrying amount of financial liabilities		
Measured at amortised cost	183,707	126,637

10 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	86,024	319,692
Amounts due from parent company	8,000	8,000
Amounts due from fellow group undertakings	40,000	29,800
Other debtors	20,231	33,586
Accrued income	96,920	66,095
Prepayments	26,437	31,042
	277,612	488,215

GALLIUM FUND SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

11 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	48,468	81,322
Amounts due to group undertakings	50,000	-
Corporation tax	-	4,374
Other taxation and social security	44,752	48,569
Other creditors	-	20,315
Accruals	85,239	25,000
	<u>228,459</u>	<u>179,580</u>

12 Share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid 100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

13 Operating lease commitments

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:

	2018 £	2017 £
Within one year	25,570	25,570
Between two and five years	12,049	37,619
	<u>37,619</u>	<u>63,189</u>

GALLIUM FUND SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

14 Related party transactions

At the year end, the company was owed £8,000 (2017: £8,000) by Gallium Fund Solutions Group Limited, a company incorporated in England and Wales. A Norris is a director and significant shareholder of Gallium Fund Solutions Group Limited. P Dooley is also a significant shareholder of Gallium Fund Solutions Group Limited.

At the year end, the company was owed £40,000 (2017: £nil) by Gallium Fund Solutions Administration Limited, a company controlled by Gallium Fund Solutions Group Limited.

At the year end, the company owed £30,000 (2017: £4,800 owed by) to GFS Trustee Limited, a company controlled by Gallium Fund Solutions Group Limited.

At the year end, the company owed £20,000 (2017: £25,000) to Gallium P E Depositary Limited, a company controlled by Gallium Fund Solutions Group Limited.

During the year, the company was charged £973,612 (2017: £751,926) by Gallium Fund Solutions Administration Limited, a company controlled by Gallium Fund Solutions Group Limited.

During the year, the company charged £256,000 (2017: £48,850) to Gallium P E Depositary Limited, a company controlled by Gallium Fund Solutions Group Limited.

During the year, the company was charged £50,000 (2017: £20,000) by GFS Trustee Limited, a company controlled by Gallium Fund Solutions Group Limited.

During the year, the company was charged £57,875 (2017: £174,500) by Jagan Limited for the services of A Norris. A Norris is a director and controller of Jagan Limited.

During the year, the company made sales of £48,000 to Oaksmore Heritage Property LP (2017: £nil). The limited partners of this partnership include entities in which A Norris is director or controller.

During the year, the company was charged £68,519 (2017: £130,780) for the services of A Norris.

During the year, the company was charged £nil (2017: £18,536) by Peak Lookout Limited. R Skelton is a director and controller of Peak Lookout Limited.

During the year, the company was charged £65,500 (2017: £57,938) by Kellett Bay Limited. R Skelton is a director and controller of Kellett Bay Limited.

15 Controlling party

The share capital of the company is owned by Gallium Fund Solutions Group Limited, a company registered in England and Wales. There is no ultimate controlling party.

Copies of the consolidated accounts can be obtained by writing to Gallium Fund Solutions Group Limited, Gallium House Unit 2 Station Court, Borough Green, Sevenoaks, Kent, England, TN15 8AD.