

Baker Steel Capital Managers LLP
Members' Report and Financial Statements
For the Year Ended 31 December 2016



Baker Steel Capital Managers LLP

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Baker Steel Capital Managers LLP

Administrative Information

Designated Members

Baker Steel Limited
T D Steel

Members

C Isnardi
Northcliffe Holdings Pty Limited
P M Tompson
J C Withall

LLP registered number

OC301191

Registered office

34 Dover Street
London
W1S 4NG

Auditor

Ernst & Young LLP
25 Churchill Place
London
E14 5EY

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Legal advisors

Simmons & Simmons
CityPoint
One Ropemaker Street
London
EC2Y 9SS

Baker Steel Capital Managers LLP

Members' Report For the Year Ended 31 December 2016

The Members present their annual report together with the audited financial statements of Baker Steel Capital Managers LLP ("the LLP") for the year ended 31 December 2016.

Principal activities and business review

The LLP is authorised and regulated by the Financial Conduct Authority and its principal activity during the year under review was the provision of investment management services and investment advisory services to a range of investment vehicles ("the Funds") predominantly based in Luxembourg and Guernsey.

The LLP's Sydney branch, established in 2004, is engaged in analysis and research, including using research to make investment recommendations to the decision making fund managers in London.

The aggregate assets under management of the Funds at 31 December 2016 were £143million (2015: £78million). The increase in assets under management followed the emergence of gold and gold equities as one of the best performing asset classes of 2016.

Results and allocation to Members

The profit for the year was £395,737 (2015: £538,126) as shown on page 9. The LLP allocated £708,739 (2015: £869,651) on a discretionary basis to its Members. Any profits are shared amongst the Members on a discretionary basis as decided by the LLP Board and governed by the Partnership Agreement dated 30 November 2007.

Financial position

The LLP's Statement of Financial Position as detailed on page 10 shows a satisfactory position, and includes total members' interest of £366,011 (2015: £501,254).

Future developments

The Members do not expect any change in the principal activity of the LLP in the foreseeable future.

Policy for Members' drawings, subscriptions and repayment of Members' capital

Policies for Members' drawings, subscriptions and repayment of Members' capital are governed by the Partnership Agreement dated 30 November 2007. Further details of these policies can be found in Note 2.11 and 2.12.

Baker Steel Capital Managers LLP

Members' Report (continued) For the Year Ended 31 December 2016

Risks and uncertainties

The principal risks and uncertainties facing the LLP are those relating to market and competition risks. Should the Funds managed by the LLP perform poorly relative to its competitors the assets under management may decline and revenues fall.

The LLP's revenues are directly linked to the value of the Assets under Management and the performance of the underlying Funds. As a result, a decline in Assets under Management would result in a reduction in the Partnership's revenues. This is mitigated through regular interactions with investors and by ensuring that the Funds have a diversified investor base that limits the exposure of the LLP to any individual investor.

From an operational perspective, the key risk relates to the potential for non-compliance with the regulations issued by the Financial Conduct Authority that could lead to the LLP being subject to a fine or a ban on trading activities. This is managed through regular review of the LLP's compliance framework by Senior Management.

Going concern

The future profitability of the LLP is dependent on maintaining a consistent level of assets under management from which to generate future revenues. Whilst the level of assets under management is subject to market volatility and to potential investor redemptions, the LLP is considered to have a suitably diversified investor base that protects the revenue and profitability of the LLP in the event of redemption by one or more investors.

The financial and liquidity position of the LLP are reflected in the Statement of Financial Position.

The LLP has sufficient financial resources and has on-going investment management contracts. As a consequence, the Members believe that the LLP is well placed to manage its business risks successfully and they have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date these financial statements are approved. Thus the going concern basis of accounting continues to be adopted in preparing the annual financial statements.

Pillar 3 and Remuneration Code disclosures

In accordance with the rules of the Financial Conduct Authority, the LLP has prepared information on its risk management objectives and policies and its regulatory capital requirements and resources ("Pillar 3 disclosures"). This information is published on the LLP's website: www.bakersteelcap.com. These disclosures are unaudited.

The remuneration code disclosures of the LLP as required by BIPRU 11.5.18 and the FCA's general organisational requirements as set out in the Systems and Controls Handbook (SYSC) 19C – BIPRU Remuneration Code, are also published on the LLP's website: www.bakersteelcap.com. These disclosures are unaudited.

UK Stewardship Code disclosures

The UK stewardship code disclosures of Baker Steel Capital Managers LLP as applied to BIPRU firms by COBS 2.2.3 – Disclosure of commitments to the Financial Reporting Council's Stewardship Code are published on the LLP's website: www.bakersteelcap.com. These disclosures are unaudited.

Baker Steel Capital Managers LLP

Members' Report (continued) For the Year Ended 31 December 2016

Members

The members of the LLP throughout the year and up to the date of this report (unless otherwise stated) were:

C Isnardi
Northcliffe Holdings Pty Limited
T D Steel
Baker Steel Limited
P M Tompson

T D Steel and Baker Steel Limited were Designated Members of the LLP throughout the year.

The following changes took place after the end of the financial year;

M Burrige was appointed as a member on 14 March 2017
J C Withall ceased to be a member on 31 March 2017

Statement as to disclosure of information to auditor

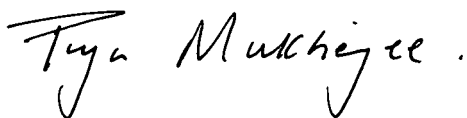
In the case of each of the persons who are members at the time when the report is approved:

- so far as the member is aware, there is no relevant audit information of which the LLP's auditor is unaware; and
- each member has taken all the steps that ought to be taken as a member in order to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

Auditor

A resolution to reappoint Ernst & Young LLP as the LLP's auditor will be put to the Members at a board meeting.

This report was approved by the Members on 28 April 2017 and signed on their behalf by:



Designated Member

Baker Steel Capital Managers LLP

Members' Responsibilities Statement For the Year Ended 31 December 2016

The Members are responsible for preparing the financial statements in accordance with applicable law and regulations.

The Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 made under the Limited Liability Partnerships Act 2000 requires the Members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under this law, the Members must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 LLP will continue in business.

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Baker Steel Capital Managers LLP

Independent auditor's report to the members of Baker Steel Capital Managers LLP For the Year Ended 31 December 2016

We have audited the financial statements of Baker Steel Capital Managers LLP (the "LLP") for the year ended 31 December 2016, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Reconciliation of Members' Interests, the Statement of Cash Flows and related Notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the LLP's members as a body in accordance with the Companies Act 2006, as applied by Part 12 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Members and Auditor

As explained more fully in the Members' Responsibilities Statement, set out on page 6, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Baker Steel Capital Managers LLP

Independent auditor's report to the members of Baker Steel Capital Managers LLP (continued) For the Year Ended 31 December 2016

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006, as applied to Limited Liability Partnerships, 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
- we have not received all the information and explanations we require for our audit.



Neil Parker (Senior statutory auditor)

For and on behalf of Ernst & Young LLP (Statutory Auditor)

London

Date: 28th April 2017

Baker Steel Capital Managers LLP

Statement of Comprehensive Income For the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover	4	1,385,673	1,474,751
Service charge reimbursed to Baker Steel Limited		(259,241)	(383,291)
Administrative expenses		<u>(728,940)</u>	<u>(558,664)</u>
Operating profit	5	397,492	532,796
Taxation	7	(1,755)	5,330
Profit for the financial year available for discretionary division among members		<u><u>395,737</u></u>	<u><u>538,126</u></u>

All amounts are derived from continuing operations.

The profit for the financial year available for discretionary division among members is equivalent to the total comprehensive income for the year.

The notes on pages 14 to 21 form part of these financial statements.

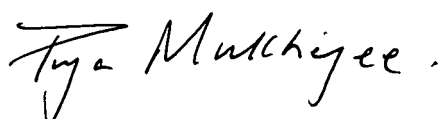
Baker Steel Capital Managers LLP

Registered Number OC301191

Statement of Financial Position As at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	8	12,521	25,687
		<u>12,521</u>	<u>25,687</u>
Current assets			
Debtors: amounts falling due within one year	9	664,672	1,013,805
Cash and cash equivalents	10	413,473	221,143
		<u>1,078,145</u>	<u>1,234,948</u>
Creditors: amounts falling due within one year	11	(266,066)	(126,059)
Net current assets		<u>812,079</u>	<u>1,108,889</u>
Net assets attributable to members		<u>824,600</u>	<u>1,134,576</u>
Represented by:			
Loans and other debts due to members		<u>142,938</u>	<u>212,862</u>
Members' other interests			
Members' capital		363,864	313,864
Other reserves		317,798	607,850
		<u>681,662</u>	<u>921,714</u>
		<u>824,600</u>	<u>1,134,576</u>
Total members' interests			
Amounts due from members (included in debtors)	9	(458,589)	(633,322)
Loans and other debtors due to members	13	142,938	212,862
Members' other interests		681,662	921,714
		<u>366,011</u>	<u>501,254</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 28 April 2017 by:



Designated member

The notes on pages 14 to 21 form part of these financial statements.

Baker Steel Capital Managers LLP

Reconciliation of Members' Interests As at 31 December 2016

	Members' capital (classified as equity) £	Other reserves £	Total members' other interest £	Loans and debts due to members less any amounts due from members in debtors £	Members' total interests £
Amounts due to members				212,862	
Amounts due from members				(633,322)	
Members' interests: balance at 1 January 2016	<u>313,864</u>	<u>607,850</u>	<u>921,714</u>	<u>(420,460)</u>	<u>501,254</u>
Profit for the year available for discretionary division among members	-	395,737	395,737	-	395,737
Members' interests after profits for the year	<u>313,864</u>	<u>1,003,587</u>	<u>1,317,451</u>	<u>(420,460)</u>	<u>896,991</u>
Capital introduced by members	50,000	-	50,000	-	50,000
Profit allocations	-	(685,789)	(685,789)	685,789	-
Drawings	-	-	-	(580,980)	(580,980)
Members' interests: Balance at 31 December 2016	<u>363,864</u>	<u>317,798</u>	<u>681,662</u>	<u>(315,651)</u>	<u>366,011</u>
Amounts due to members				142,938	
Amounts due from members				(458,589)	

Baker Steel Capital Managers LLP

Reconciliation of Members' Interests (continued) As at 31 December 2015

	Members' capital (classified as equity) £	Other reserves £	Total members' other interest £	Loans and debts due to members less any amounts due from members in debtors £	Members' total interests £
Amounts due to members				2,755,254	
Amounts due from members				(611,411)	
Member' interests: balance at 1 January 2015	<u>213,864</u>	<u>939,375</u>	<u>1,153,239</u>	<u>2,143,843</u>	<u>3,297,082</u>
Profit for the year available for discretionary division among members	-	538,126	538,126	-	538,126
Members' interests after profits for the year	<u>213,864</u>	<u>1,477,501</u>	<u>1,691,365</u>	<u>2,143,843</u>	<u>3,835,208</u>
Capital introduced by members	100,000	-	100,000	-	100,000
Profit allocations	-	(869,651)	(869,651)	869,651	-
Advance drawings	-	-	-	(585,705)	(585,705)
Distributions	-	-	-	(315,610)	(315,610)
Other transactions with members	-	-	-	(2,532,639)	(2,532,639)
Members' interests: balance at 31 December 2015	<u>313,864</u>	<u>607,850</u>	<u>921,714</u>	<u>(420,460)</u>	<u>501,254</u>
Amounts due to members				212,862	
Amounts due from members				(633,322)	

Baker Steel Capital Managers LLP

Statement of Cash Flows For the Year Ended 31 December 2016

	2016 £	2015 £
Cash flows from operating activities		
Profit for the financial year	395,737	538,126
Adjustments for:		
Taxation	1,755	(5,330)
Decrease / (increase) in debtors	174,400	(218,547)
Increase / (decrease) in creditors	138,040	(18,751)
Overseas taxation	212	12,807
Other transactions with Members	-	63,915
Net cash generated from operating activities	710,144	372,220
Net cash flow from investing activities		
Disposal of investments	13,166	-
	13,166	-
Cash flows from financing activities		
Capital introduced by Members	50,000	100,000
Drawings to Members	(580,980)	(901,315)
Net cash outflow from financing activities	(530,980)	(801,315)
Net increase/ (decrease) in cash and cash equivalents	192,330	(429,095)
Cash and cash equivalents at the beginning of year	221,143	650,238
Cash and cash equivalents at the end of year	413,473	221,143

Baker Steel Capital Managers LLP

1. General information

Baker Steel Capital Managers LLP is a limited liability partnership incorporated and domiciled in England. The address of the LLP's registered office is 34 Dover Street, London, W1S 4NG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland, the Companies Act 2006 as applied to the LLP by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" ("SORP") issued in January 2017 (applicable for periods commencing on or after 1 January 2016).

The financial statements have been prepared in accordance with FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

2.2 Revenue

Revenue is recognised, on an accruals basis, to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Fees receivable for Investment Management services provided during the year are only recognised when the LLP obtains the right to receive consideration in exchange for its services.

2.3 Operating leases

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

2.4 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is British Pound Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the Statement of Comprehensive Income.

2.5 Expenses

Expenses have been recognised on an accruals basis.

2.6 Taxation

Each Member is exclusively liable for any tax liabilities arising out of their interest in the LLP, which is assessed on the individual Members and not on the LLP. The policy of the LLP is that taxes payable on foreign branches treated as partnerships are recognised as an expense of the LLP where the member being taxed is a natural person not resident in the branch country, and not recognised otherwise. Tax is recognised in the statement of comprehensive income in the period which it relates to. Amounts payable to foreign tax authorities are recorded as liabilities, amounts paid on account to foreign tax authorities are recorded as debtors, neither are discounted.

2.7 Valuation of investments

Investments in listed and unlisted equity instruments are classified as assets held at fair value through profit and loss. These investments are remeasured to market value at each Statement of Financial Position date. On recognition these investments are initially recognised at fair value, being the consideration paid excluding any transactions costs and are remeasured at fair value, which is normally the transaction price. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period.

2.8 Trade and other receivables

Trade receivables are measured at fair value on initial recognition which equates to the amount expected to be receivable on settlement of the asset. A provision for impairment of receivables is established when there is objective evidence that the LLP will not be able to collect all amounts due according to the original terms of the receivable. The amount of the provision is the difference between the original carrying amount and the recoverable amount and this difference is recognised in the Statement of comprehensive Income.

2.9 Trade and other payables

Trade payables are initially measured at fair value which approximates to the amount expected to be required to settle the obligations. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

2.10 Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.11 Members' capital and profit allocations

Capital contributed by Members is recognised as equity in the financial statements of the LLP on the basis that, in accordance with the Partnership Agreement, capital is only repayable to Members at the discretion of the Board in accordance with the Partnership Agreement.

Each Member of the LLP is required to make a capital contribution to the LLP. Additional capital subscriptions require the agreement of the Board. Capital is repayable to a Member at the discretion of the Board on ceasing to be a Member of the LLP or on winding up, in accordance with the Partnership Agreement.

The LLP has no fixed obligation to allocate profits to Members; all remuneration is allocated on a discretionary basis and is shown as a deduction from Members' interests.

2.12 Drawings

Members are entitled to drawings from the LLP at the discretion of the Board in anticipation of the allocation of future profits. If drawings are made in excess of allocated profits, the overdrawn balance shall be treated as a loan due to the LLP.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year.

(a) Critical judgements in applying the LLP's accounting policies

The Members and key management personnel have not been required to use a significant degree of judgment in determining the timing and value of amounts recognised in the financial statements.

(b) Critical accounting estimates and assumptions

The LLP makes an estimate of the recoverable value of investments. When assessing impairment of the investments, management considers factors including the current credit rating of the debtor if available, the ageing profile of debtor and historical experience. Note 8 contains details of the net carrying amount of the investment.

Baker Steel Capital Managers LLP

4. Turnover

Turnover arises from Investment Management activities conducted in the United Kingdom.

Analysis of turnover by country of destination:

	2016 £	2015 £
United Kingdom	865,359	424,549
Cayman Islands	520,314	1,050,202
	<u>1,385,673</u>	<u>1,474,751</u>

5. Operating profit

The operating profit is stated after charging/(crediting):

	2016 £	2015 £
Auditors' remuneration		
- Fees payable to the LLP's auditor for the audit of the LLP's annual financial statements	24,000	17,000
- Fees payable to the LLP's auditor for taxation services	12,420	12,610
Operating lease rentals: land and buildings	13,960	10,201
Exchange differences	<u>3,482</u>	<u>1,706</u>

Baker Steel Capital Managers LLP

6. Members' remuneration

	2016 £	2015 £
Profit for the financial year before amounts available for discretionary division amongst Members	397,492	538,126
Profit in respect of the highest paid Member during the year	<u>243,945</u>	<u>293,310</u>
The average number of members in the year	<u>6</u>	<u>8</u>

7. Taxation

	2016 £	2015 £
Foreign tax		
Tax (charge)/credit on profits of Australian branch	(1,755)	5,330
	<u>(1,755)</u>	<u>5,330</u>

Baker Steel Capital Managers LLP

8. Investments

	2016 £	2015 £
At the beginning of the period	25,687	2,622,241
Disposals	(13,166)	(2,596,554)
At the end of the period	<u>12,521</u>	<u>25,687</u>

Investments are as follows:

Genus Natural Resources Fund	€10 unquoted non-participating founder shares
Genus Dynamic Gold Fund	US\$10 unquoted non-participating founder shares
Ironman Investment Company Limited	£10 class A ordinary shares
	£2,384 class B ordinary shares
	£10 class C ordinary shares
	£30 class D ordinary shares
	£10 class E ordinary shares
	£32 class F ordinary shares
	£32 class G ordinary shares
Baker Steel Resources Trust Limited	£10,000 Management ordinary class shares

The LLP owns 100% of Ironman Investment Company Limited, a company which is registered in Jersey. The company was incorporated to carry out co-investment activities. The LLP does not control this entity and it is not consolidated.

During the year, the LLP disposed of £13,166 class E ordinary shares at cost. At 31 December 2016 the net assets of Ironman Investment Company Limited were £2,508 (2015: £15,674) and the company is in the process of being wound up.

9. Debtors

	2016 £	2015 £
Trade debtors	137,605	32,413
Amounts due from Baker Steel Capital Managers (Cayman) Limited	-	331,915
Other debtors	2,244	2,244
Accrued income	50,568	-
Prepayments	15,666	13,911
Amounts due from Members	458,589	633,322
	<u>664,672</u>	<u>1,013,805</u>

Amounts due from members include £44,629 (2015: £51,899) due from Baker Steel Limited.

Amounts due from Baker Steel Limited and Baker Steel Capital Managers (Cayman) Limited are unsecured interest free and due on demand.

Baker Steel Capital Managers LLP

10. Cash and cash equivalents

	2016	2015
	£	£
Cash at bank and in hand	<u>413,473</u>	<u>221,143</u>

11. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	14,968	41,349
Social security and other taxes	13,093	9,074
Overseas taxation	7,066	5,099
Accruals	212,909	70,537
Amounts due to Baker Steel Capital Managers (Cayman) Limited	18,030	-
	<u>266,066</u>	<u>126,059</u>

Amounts due to Baker Steel Capital Managers (Cayman) Limited are unsecured, interest free and due on demand.

Amounts due to members rank alongside the creditors listed above in terms of priority for repayment on winding up of the LLP.

Baker Steel Capital Managers LLP

12. Commitments under operating leases

At 31 December 2016 the LLP had future minimum commitments under cancellable operating leases in respect of buildings as follows:

	2016	2015
	£	£
Within 1 year	1,351	639
Total	1,351	639

13. Related party transactions

During the year, £259,241 (2015: £383,291) was reimbursed to Baker Steel Limited, a designated Member of the LLP in respect of administrative and support services. In addition, the LLP made profit allocations of £243,945 (2015: £293,310) to Baker Steel Limited during the year. At the year end Baker Steel Limited owed the LLP £44,629 (2015: £51,899) which has been disclosed in note 9.

Baker Steel Capital Managers (Cayman) Limited is the parent undertaking of Baker Steel Limited. The LLP manages investments under various advisory agreements. During the year, the LLP received management and performance fees of £520,314 (2015: £1,050,202) from Baker Steel Capital Managers (Cayman) Limited. In addition, Baker Steel Capital Managers (Cayman) Limited charged the LLP £227,673 (2015: £173,132) for marketing services. At the year end, the LLP owed Baker Steel Capital Managers (Cayman) Limited a net amount of £18,030 (2015: £331,915 due to the LLP) which is disclosed in note 11.

The key management personnel of the LLP are comprised in full of the Members of the LLP with no additional personnel. The transactions with key management personnel have been disclosed within the reconciliation of Members' interests.

During the year the LLP made profit allocations of £685,789. This is comprised of profit allocations of £708,739 in respect of the current financial year together with a correction to previous years allocations of £22,950. Total amounts due from members were £315,651 (2015: £420,460) comprised of drawings in advance of allocations of £458,589 (2015: £633,322) and undrawn profit drawings of £142,938 (2015: £212,862).

In 2015 interests in investments totalling £2,609,720 were reallocated to members of the LLP under a member incentivisation and retention plan that the LLP operates. This amount is included within other transactions with members.