

HSBC INTERNATIONAL FINANCIAL ADVISERS (UK) LIMITED

**Financial Statements**  
**31 December 2013**

Registered No: 1585283

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**Financial Statements**

**31 December 2013**

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**Financial Statements**

**31 December 2013**

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**DIRECTORS AND OFFICERS**

**Directors:** V.J.B Mansell (appointed 17 December 2013)  
R.H. Musgrove (appointed 17 December 2013)

**Secretary:** C.B. Bell

**Registered office:** 8 Canada Square  
London  
E14 5HQ

**Bankers:** HSBC Bank plc  
8 Canada Square  
London  
E14 5HQ

**Independent Auditors:** KPMG Audit Plc  
15 Canada Square  
London  
E14 5GL

# **HSBC INTERNATIONAL FINANCIAL ADVISERS (UK) LIMITED**

## **Directors' report for the year ended 31 December 2013**

### **Principal activities**

The Company's principal activity has been to service the investment needs, on a referral basis, of HSBC Bank International Limited's United Kingdom and European Union based customers and other HSBC Group Companies' customers.

The mix of business written comprised structured deposits, discretionary portfolios, insurance bonds and collective investment funds sourced from HSBC Group companies and a range of well established and market leading third party product providers. The activities of the Company were regulated by the FSA (the Financial Services Authority, since superseded by the Financial Conduct Authority on 1 April 2013).

On 30 September 2012 the Company ceased trading. Accordingly on 22 November 2012 the Company applied to the FSA for cancellation of its FSA Part IV permission. This permission was cancelled by the FSA with effect from 25 January 2013 and following this the Company's status as an authorised person was withdrawn.

### **Results and performance**

The loss after taxation for the period ended 31 December 2013 amounted to £961 (31 December 2012: loss £113,959).

### **Dividends**

The Directors do not recommend payment of a dividend (31 December 2012: £nil).

### **Going concern basis**

The financial statements have been prepared on a non-going concern basis. The assets and liabilities of the Company are presented at net realisable value as the Company will be liquidated following settlement of these balances.

### **Directors**

The financial statements have been prepared on a non-going concern basis. The Directors who held office during the period and up to the date these financial statements were approved are shown on page 2, with the following exceptions:

D.R. Blackburn (resigned 18 December 2013)  
J.J. Bull (resigned 18 December 2013)  
R.E.C. Cannard (resigned 18 December 2013)  
A.M. Keane-Munday (resigned 18 December 2013)  
C.M. Schuetz (resigned 18 December 2013)  
P.M. Spencer (resigned 18 December 2013)

The Articles of Association of the Company provide that in certain circumstances the Directors are entitled to be indemnified out of the assets of the Company against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the UK Companies Act 2006. Indemnity provisions of this nature have been in place during the financial period but have not been utilised by the Directors.

### **Changes in Secretary**

There have been no changes in Secretary during the period and up to the date these financial statements were approved.

**Disclosure of information to auditor**

Each person who is a director at the date of approval of this report confirms that so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware and the Director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given pursuant to section 418 of the UK Companies Act 2006 and should be interpreted in accordance therewith.

**Independent auditor**

The Company has elected to dispense with the obligation to reappoint auditors annually pursuant to Section 487 of the Companies Act 2006.

By Order of the Board



*Robert H Musgrove*

Director

Date: 23 September 2014

**Statement of Directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU 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 estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in Note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the Board



*Robert H Musgrove*  
Director

Registered Office  
8 Canada Square  
London  
E14 5HQ

Date: 23 September 2014

# **HSBC INTERNATIONAL FINANCIAL ADVISERS (UK) LIMITED**

## **Independent Auditor's Report to the Members of HSBC International Financial Advisers (UK) Limited**

We have audited the financial statements of HSBC International Financial Advisers (UK) Limited for the period ended 31 December 2013 set out on pages 8 to 20. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Emphasis of matter - non-going concern basis of preparation**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reason set out in that note.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or

# HSBC INTERNATIONAL FINANCIAL ADVISERS (UK) LIMITED

## Independent Auditor's Report to the Members of HSBC International Financial Advisers (UK) Limited

- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

*John Patel*

Jatin Patel (Senior Statutory Auditor)  
For and behalf of KPMG Audit plc, Statutory Auditor

15 Canada Square,  
London,  
E14 5GL  
Date: 26/9/14

# HSBC INTERNATIONAL FINANCIAL ADVISERS (UK) LIMITED

## Financial Statements

### Income statement for the period ended 31 December 2013

	2013	2012
	£	£
Fees and commissions	-	2,877,909
Direct costs	-	(582,539)
<b>Gross profit</b>	-	2,295,370
Administrative expenses	(961)	(2,445,329)
<b>Loss before taxation</b>	(961)	(149,959)
Tax recovered	-	36,000
<b>Loss for the period/year</b>	(961)	(113,959)

The Company ceased trading at 30 September 2012; accordingly the results above are derived from discontinued operations.

*The notes on pages 12 – 20 form part of these financial statements*

## Statement of financial position as at 31 December 2013

	Note	2013	2012
		£	£
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,133,522	1,975,601
Receivables		-	569,688
<b>Total assets</b>		<b>2,133,522</b>	<b>2,545,289</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Other liabilities		-	314,453
Current tax liabilities		-	96,353
<b>Total liabilities</b>		<b>-</b>	<b>410,806</b>
<b>Equity</b>			
Called up share capital	2	2,250,000	2,250,000
Retained earnings		(116,478)	(115,517)
<b>Total equity</b>		<b>2,133,522</b>	<b>2,134,483</b>
<b>Total equity and liabilities</b>		<b>2,133,522</b>	<b>2,545,289</b>

The financial statements on pages 5 to 20 were approved by the Board of Directors on 23 September 2014 and were signed on its behalf by:



Robert H Musgrove  
Director

Company Registered Number: 1585283

**Statement of cash flows for the period ended 31 December 2013**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Loss before tax	<b>(961)</b>	<b>(149,959)</b>
Adjustments for:		
– Change in operating assets	<b>569,688</b>	<b>1,571,571</b>
– Change in operating liabilities	<b>(314,453)</b>	<b>(1,492,543)</b>
– Tax Paid	<b>(96,353)</b>	<b>70,711</b>
Net cash from operating activities	<b>157,921</b>	<b>(220)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>157,921</b>	<b>(220)</b>
Cash and cash equivalents brought forward	<b>1,975,601</b>	<b>1,975,821</b>
Cash and cash equivalents carried forward	<b>2,133,522</b>	<b>1,975,601</b>

*The notes on pages 12 – 20 form part of these financial statements*

**Statement of changes in equity for the period ended 31 December 2013**

	<b>Called up share capital</b>	<b>Retained earnings</b>	<b>Total shareholders' equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Period Ended 31 December 2013</b>			
At 1 January 2013	2,250,000	(115,517)	2,134,483
Loss for the period	-	(961)	(961)
At 31 December 2013	2,250,000	(116,478)	2,133,522
	<b>Called up share capital</b>	<b>Retained earnings</b>	<b>Total shareholders' equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Year Ended 31 December 2012</b>			
At 1 January 2012	2,250,000	(1,558)	2,248,442
Loss for the year	-	(113,959)	(113,959)
At 31 December 2012	2,250,000	(115,517)	2,134,483

Shareholders' equity is wholly attributable to equity shareholders.

**Notes on the financial statements**

**1 Basis of preparation**

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HSBC International Financial Advisers (UK) Limited is a company domiciled and incorporated in England and Wales.

**(a) Compliance with International Financial Reporting Standards**

The financial statements of HSBC International Financial Advisers (UK) Limited have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as issued by the International Accounting Standards Board ('IASB') and as endorsed by the EU. EU-endorsed IFRSs may differ from IFRSs as issued by the IASB if, at any point in time, new or amended IFRSs have not been endorsed by the EU. At 31 December 2013, there were no unendorsed standards effective for the period ended 31 December 2013 affecting these financial statements, and there was no difference between IFRSs endorsed by the EU and IFRSs issued by the IASB in terms of their application to the company. Accordingly, the company's financial statements for the period ended 31 December 2013 are prepared in accordance with IFRSs as issued by the IASB.

IFRSs comprise accounting standards issued by the IASB and its predecessor body as well as interpretations issued by the IFRS Interpretations Committee ('IFRIC') and its predecessor body.

**(b) Presentation of information**

On 30 September 2012 the Company ceased trading. As the Directors intend to liquidate the company following the settlement of the remaining net assets, the Directors have not prepared the financial statements on a going concern basis for either of the years ended 31 December 2012 or 31 December 2013. The assets and liabilities of the Company are presented at net realisable value as the Company will be liquidated following settlement of these balances. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements. Liquidation costs will be borne by the parent company, and have therefore not been accrued in these financial statements.

**(c) Future accounting developments**

At 31 December 2013, a number of standards and interpretations, and amendments thereto, had been issued by the IASB, which are not effective for the company's financial statements as at 31 December 2013. Given the cessation of the Company's activities during the year, the directors do not consider that any future accounting developments will result in a significant impact on the Company's reporting.

**2 Summary of significant accounting policies**

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**(a) Revenue**

Income earned on the execution of a significant act is recognised as revenue when the act is completed. Income earned from the provision of services is recognised as revenue as the services are provided and income which forms an integral part of the effective interest rate of a financial instrument is recognised as an adjustment to the effective interest rate and recorded in 'interest income'.

**(b) Operating leases**

Payments under operating leases are charged to the income statement on a straight line basis over the term of the lease.

**(c) Income Tax**

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

**Notes on the financial statements (continued)**

Current tax is the expected tax payable/(recoverable) on the taxable income/(loss) for the period, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised and/or sufficient taxable temporary differences are available. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(d) Foreign currencies**

Transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange ruling at the end of the reporting period. Any resulting exchange differences are included in the income statement.

Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated into the functional currency using the rate of exchange at the date of the initial transaction. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated into the functional currency using the rate of exchange at the date the fair value was determined. Any exchange component of a gain or loss on a non-monetary item is recognised in other comprehensive income if the gain or loss on the non-monetary item is recognised in other comprehensive income. Any exchange component of a gain or loss on a non-monetary item is recognised in the income statement if the gain or loss on the non-monetary item is recognised in the income statement.

**(e) Financial assets and liabilities**

**(i) Financial liabilities**

Financial liabilities are initially measured at fair value less any transaction costs that are directly attributable to the purchase or issue. Financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument. The Company derecognises the financial liability when the Company's obligations specified in the contract expire, are discharged or cancelled. Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest rate method.

**(ii) Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Such investments are normally those with less than three months' maturity from the date of acquisition, and include cash.

**Financial Statements (continued)**

**Notes on the financial statements (continued)**

**(f) Share capital**

Shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from proceeds, net of tax.

**(g) Use of assumptions**

The results of the company are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of its financial statements. The accounting policies used in the preparation of the financial statements are described in detail in Note 2.

When preparing the financial statements, it is the Directors' responsibility to select suitable accounting policies and to make judgements and estimates that are reasonable and prudent. There are no accounting policies that are deemed critical to the Company's results and financial position, in terms of materiality of the items to which the policy is applied, which involve a high degree of judgement and estimation.

**3. (Loss)/profit before taxation**

(Loss)/profit on ordinary activities before taxation is stated after charging:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration		
- audit of the financial statements	-	14,750
- other services pursuant to legislation	-	5,000
	<u>-</u>	<u>19,750</u>

Audit fees for the 2013 audit will be borne by the parent company.

**4. Employee compensation and benefits**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Employee compensation and benefits were:		
- Wages and salaries	-	1,685,313
- Social security costs	-	211,632
- Pension costs	-	180,781
- Other staff costs	-	445,303
	<u>-</u>	<u>2,523,029</u>
Average FTE	<b>0.0</b>	<b>24.0</b>

Financial Statements (continued)

Notes on the financial statements (continued)

5. Tax expense

	2013	2012
	£	£
<b>Current tax</b>		
UK Corporation Tax:		
– on current year profit	-	-
– adjustments in respect of current year tax recovery	-	36,000
– adjustments in respect of prior years	-	-
<b>Total current tax recovery</b>	<b>-</b>	<b>36,000</b>
<b>Reconciliation of effective tax to Corporation Tax (recovery)/expense:</b>		
	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
(Loss)/profit before Corporation Tax	<b>(961)</b>	<b>(149,959)</b>
Taxation at UK tax rate 23.25% (2012: 24.5%)	-	(36,000)
Effect of:		
Adjustments in respect of prior years	-	-
<b>Overall tax recovery</b>	<b>-</b>	<b>(36,000)</b>

The UK Government announced that the main rate of corporation tax for the year beginning 1 April 2013 would reduce from 24% to 23% to be followed by a further 2% reduction to 21% for the year beginning 1 April 2014 and a further 1% reduction to 20% for the year beginning 1 April 2015. The reduction in the corporation tax rate to 23% was enacted through the 2012 Finance Act and this results in a weighted average rate of 23.25% for 2013 (2012: 24.5%). The reductions to 21% and 20% that were announced in the 2012 Autumn Statement and 2013 Budget respectively became enacted through the 2013 Finance Act on 17 July 2013.

6. Receivables

	2013	2012
	£	£
Amounts due from other group undertakings	-	569,688
	<b>-</b>	<b>569,688</b>

**Notes on the financial statements (continued)**

**7. Other liabilities**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Amounts due to other group undertakings	-	24,671
Accruals and deferred income	-	289,782
	<b>-</b>	<b>314,453</b>

**8. Share capital**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
10,000,000 Ordinary shares of £1 each	<b>10,000,000</b>	10,000,000
<b>Allotted, called up and fully paid</b>		
2,250,000 Ordinary shares of £1 each	<b>2,250,000</b>	2,250,000

**9. Risk management**

**Introduction and overview**

The Company has exposure to the following risks:

- credit risk
- liquidity risk
- operational risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

**Risk management framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has appointed a Risk Management Director who is responsible for developing and monitoring the Company's risk management policies. The Risk Management Director reports regularly to the Board of Directors on activities and issues.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to risk policies and procedures. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Company, through its training and management standards and procedures, aims to

**Notes on the financial statements (continued)**

develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Risk Management Director is responsible for monitoring compliance with the Company's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Company. The Company is assisted in these functions by Group Internal Audit and the Compliance Monitoring Team. Group Internal Audit and the Compliance Monitoring Team undertake both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

There were no changes in the Company's approach to risk management during the year.

**Credit risk management**

Credit risk is the risk that financial loss arises from the failure of a customer or counterparty to meet its obligations under a contract. For the Company, there is a risk arising in connection with amounts owed from its bankers.

Where the Company believes that a debt, or part of a debt, may not be collectible, an impairment provision is made to the value of the estimated impairment. The Company has standards, policies and procedures dedicated to controlling and monitoring risk from all such activities.

The Directors regard the level of credit risk as minimal and as a result have made no impairment provisions as at the period end date (2012: £nil).

The Company had no past due exposures as at 31 December 2013 (2012: £Nil).

The Company has the following maximum exposure to credit risk, with no related collateral held:

	2013	2012
	£	£
Cash and cash equivalents	2,133,532	1,975,601
Trade and other receivables	-	569,688
	<b>2,133,532</b>	<b>2,545,289</b>

These balances are neither past due nor impaired. Their fair values equate to their carrying amount. The Company's credit risk is considered limited as all financial assets are held with related parties.

**Liquidity risk management**

Liquidity risk is the risk that the Company will be unable to meet the obligations arising from its financial liabilities.

The Directors believe that the Company has minimal exposure to liquidity risk, since its current assets (including cash) are sufficient to repay its current liabilities. The following tables show the contractual maturity analysis of the Company's liabilities:

**Notes on the financial statements (continued)**

	<b>Payable within one year</b>	<b>Payable within one year</b>
	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade and other payables	-	410,806

**Operational risk management**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- requirements for the reporting of operational losses and proposed remedial action;
- development of contingency plans;
- training and professional development;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

Compliance with Company standards is supported by a programme of periodic reviews undertaken by Group Internal Audit and the Compliance Monitoring Team. The results of the reviews are discussed with the management of the business, with summaries submitted to senior management of the Company.

**Notes on the financial statements (continued)**

**10. Related party transactions**

The Company has a related party relationship with its parent, with other group undertakings and with its directors.

Particulars of transactions, arrangement and agreements involving related parties are as follows:

	2013	2012
	£	£
<b>Income statement</b>		
Fees and commissions	-	2,877,909
Direct costs	-	(582,539)
Administrative expenses	-	(298,453)
<b>Statement of financial position</b>		
Trade and other receivables	-	569,688
Cash and cash equivalents	2,133,532	1,975,601
<b>Liabilities</b>		
Trade and other payables	-	24,671

The Company is a wholly owned subsidiary of HSBC International Holdings (Jersey) Limited, a company incorporated and registered in Jersey, Channel Islands. The ultimate holding company is HSBC Holdings plc, which is incorporated and registered in England. The registered address of HSBC Holdings plc is 8 Canada Square, London E14 5HQ, from where a copy of the consolidated Annual Report and Financial Statements may be obtained.

The key management personnel have been identified as being the Directors of the company. The emoluments of the key management personnel are paid by other HSBC group companies who make no recharge to the company. The Directors are also directors of a number of other HSBC group companies and it is not possible to make a reasonable apportionment of their emoluments in respect of each of the companies. Accordingly, no emoluments in respect of the Directors applicable to the company have been disclosed.

On 22 February 2013, the board agreed to sell the residual business of the Company (excluding the assets and liabilities on its balance sheet) to HSBC Bank International Limited for the consideration of £1.

**11. Contingent liabilities**

There were no contingent liabilities at 31 December 2013 (2012: £Nil).

**Notes on the financial statements (continued)**

**12. Subsequent events**

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On 14 March 2014, pursuant to a resolution by the shareholders, dated 20 December 2013 and effective 16 January 2014, to reduce the share capital to £2, all of the cash of the Company was paid out to the parent company in repayment of the share capital, less the remaining retained earnings.

**13. Holding company**

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HSBC International Financial Advisers (UK) Limited is a wholly owned subsidiary of HSBC International Holdings (Jersey) Limited, which is incorporated in Jersey.

The ultimate holding company is HSBC Holdings plc, which is incorporated and registered in England. The registered address of HSBC Holdings plc is 8 Canada Square, London E14 5HQ, from where a copy of the consolidated Annual Report and Financial Statements may be obtained.