

**Poalim Asset Management (UK)
Limited**

Report and Financial Statements

Year Ended

31 December 2017

Company Number 04212445

THURSDAY



L70B6XVU

LD2

22/02/2018

#202

COMPANIES HOUSE

Poalim Asset Management (UK) Limited

Report and financial statements for the year ended 31 December 2017

Contents

Page:

1	Strategic report
3	Directors' report
5	Statement of directors' responsibilities
6	Independent auditor's report
9	Income statement and statement of comprehensive income
10	Balance sheet
11	Statement of changes in equity
12	Notes forming part of the financial statements

Directors

Orit Lerer
Leonardo Leiderman
Catherine Lemaitre
Barry Ben Zeev
Moshe Allouche
Dan Alexander Koller

Registered number

04212445

Secretary and registered office

Hackwood Secretaries Limited, One Silk Street, London, EC2Y 8HQ

Independent auditors

BOO LLP, 55 Baker Street, London, W1U 7EU

Country of incorporation

England & Wales

Legal form

Private company limited by shares

Poalim Asset Management (UK) Limited

Strategic report for the year ended 31 December 2017

Overview

The activities of the Company during the year included the marketing and investment management services, portfolio management and research for Bank Hapoalim International global private banking clients.

The Company key performance indicator is revenue per head £224,237 (2016 - £377,703).

Business review and going concern

During 2017 the Company continued its involvement in the structuring of products and advising on the distribution and marketing of structured product third party notes via Bank Hapoalim (Schweiz) AG.

On 3 November 2017, the Company's ultimate parent, Bank Hapoalim announced its intention to exit the private banking sector. Therefore the Directors intend to dissolve the Company in the third quarter of 2018. As such, the Directors do not consider Poalim Asset Management (UK) Limited to be a going concern and has prepared the accounts on a basis other than going concern. There has been a provision for redundancies as a result of preparing the financial statements on a basis other than that of a going concern.

Results and dividend

The results of the Company for the year ended 31 December 2017, after providing for taxation, show a total loss of £1,800,484 (2016 – profit of £796,254).

The Directors do not recommend the payment of a dividend (2016 - £Nil).

Principal risks and uncertainties

Overview

The Board of Directors is responsible for determining the level of risk acceptable to the Company. This is subject to a regular review.

The Company seeks to mitigate its risks through the application of strict limits and controls, a monitoring process at operational level, and the use of insurance policies where appropriate. The Company has quarterly board meetings to manage all risks.

Market risk

The Company's revenues give rise to market risk, which is partly mitigated by the fee share arrangements accounting for 35% of turnover (2016 - 34%).

Foreign currency risk

The Company is exposed to FX risk as most of its income is in USD. The Company is aware of this, but takes no efforts to hedge against the exposure. The Company pays some of its major expenses in USD as a way of mitigating foreign exchange risk.

Liquidity risk

The Company finances its operations through share capital and retained earnings. Surplus funds are placed on deposit with highly rated banks. The Directors believe that any change in the UK interest rates will have a marginal impact on the profitability of the Company.

Poalim Asset Management (UK) Limited

Strategic report for the year ended 31 December 2017 (*continued*)

Principal risks and uncertainties (*continued*)

Interest rate risk

The Company has no debt so Interest rate risk is from its cash deposits which earn interest on what is effectively a floating rate basis.

Operational risk

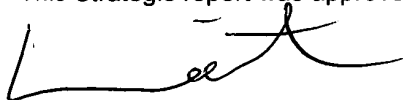
The Company has a Disaster Recovery Plan which has been tested and is reviewed and updated annually. Other operational risks include compliance and risk management. The Company has strict operational procedures in these areas. The compliance officer monitors our compliance regularly and reports to the Board of Directors once a quarter.

Credit risk

The Company is subject to the risk of the inability of any counterparty to perform with respect to transactions whether due to insolvency, bankruptcy or other causes. The Company has surplus funds placed on deposit with highly rated banks and therefore its credit risk is considered to be low.

Approval

This Strategic report was approved on behalf of the Board on 20.2.2018



Catherine Lemaitre
Director

Poalim Asset Management (UK) Limited

Report of the directors for the year ended 31 December 2017

The Directors present their annual report and the audited financial statements for the year ended 31 December 2017.

Principal activity, review of business and going concern

The Company is wholly owned by PAM Holdings Ltd. PAM Holdings Ltd is wholly owned by Poalim Betvuna Ltd, an Israeli corporation, which is wholly owned by Bank Hapoalim B.M., an Israeli banking corporation. Its principal activity and future activities are presented in the Strategic report on pages 1 to 2.

The Board of Directors of the Company includes senior officers of Bank Hapoalim B.M. The Company is authorised and regulated by the FCA and is also subject to internal audit reviews, conducted by RSM Risk Assurance Services LLP, and external audit.

The board met on 3 November 2017 and the decision was made that Poalim Asset Management (UK) Limited will be liquidated within 12 months from the date of approval of the financial statements. As such, the Directors do not consider Poalim Asset Management (UK) Limited to be a going concern and have therefore prepared the financial statements on a basis other than going concern. There has been a provision for redundancies as a result of preparing the accounts on this basis.

Directors and directors' interests

The Directors who held office during the year and at the date of signing this report were as follows:

Orit Lerer
Leonardo Leiderman
Catherine Lemaitre
Barry Ben Zeev
Moshe Allouche
Dan Alexander Koller

Political and charitable donations

The Company made no political or charitable donations during the year.

Policy on the payment of creditors

The Company policy is to agree payment terms in advance and to ensure that these terms are included in the relevant contracts in accordance with these contractual and other legal obligations.

Financial Risks

Information on financial risk is presented in the Strategic Report.

Director's Indemnities

The parent company has made qualifying third party indemnity provisions for the benefit of the Directors and senior management of the Company which were made in the year and remain in force at the date of this report.

Poalim Asset Management (UK) Limited

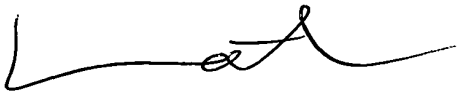
Report of the directors for the year ended 31 December 2017 (*continued*)

Auditors

The Directors have taken all the appropriate steps to make themselves aware of any information needed by the Company's auditors for the purposes of their audit. The Directors have, as far as they are aware, ensured that there is no relevant audit information of which the auditors are unaware.

BDQ LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board



Catherine Lemaitre
Director

Date *20.2.2018*

Poalim Asset Management (UK) Limited

Statement of directors' responsibilities for the year ended 31 December 2017

Statement of directors' responsibilities

The Directors are responsible for preparing the Strategic report, 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 year. Under that law the Directors have elected to prepare the company 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 to the financial statements, the Directors do not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that 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 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.

Poalim Asset Management (UK) Limited

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF POALIM ASSET MANAGEMENT (UK) LIMITED

Opinion

We have audited the financial statements of Poalim Asset Management (UK) Limited ("the Company") for the year ended 31 December 2017 which comprise the Income statement, Statement of comprehensive income, Balance sheet, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 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.

Emphasis of Matter – financial statements prepared on a basis other than going concern

We draw attention to Note 1 to the financial statement which explains that following a business circumstances of the company is no longer considered to be a going concern. Accordingly, the financial statements have been prepared on a basis other than that of going concern as described in Note 1. Our opinion is not modified in this 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.

Poalim Asset Management (UK) Limited

Independent auditor's report (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

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 Director's report.

We have nothing to report in respect of the following matters in relation to which 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 Statement of directors' responsibilities, 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.

Poalim Asset Management (UK) Limited

Independent auditor's report (continued)

Auditor's responsibilities for the audit of the financial statements

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.

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 at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Neil Fung-On, (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
55 Baker Street,
London
United Kingdom

Date: 20/2/18

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Poalim Asset Management (UK) Limited

Income statement for the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover	3	3,139,323	8,309,467
Administrative expenses		(5,390,392)	(7,542,428)
Operating (loss)/profit	4	(2,251,069)	767,039
Interest receivable and similar income	7	227,182	241,926
(Loss)/profit on ordinary activities before taxation		(2,023,887)	1,008,965
Tax on ordinary activities	8	223,404	(212,711)
(Loss)/profit on ordinary activities after taxation		(1,800,483)	796,254

The results of the current and prior year relate to discontinued operations.

Statement of comprehensive income for the year ended 31 December 2017

	2017 £	2016 £
(Loss)/profit for the financial year	(1,800,483)	796,254
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(1,800,483)	796,254

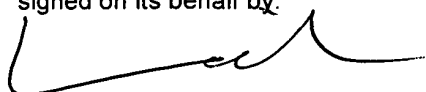
The notes on pages 12 to 20 form part of these financial statements.

Poalim Asset Management (UK) Limited

Balance sheet at 31 December 2017

Company number 04212445	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	9		6,388		51,679
Current assets					
Debtors	10	634,781		1,621,651	
Cash at bank and in hand		21,637,966		22,719,121	
		<u>22,272,747</u>		<u>24,340,772</u>	
Creditors: amounts falling due within one year	11	(2,104,626)		(2,088,088)	
Net current assets			<u>20,168,121</u>		<u>22,252,684</u>
Total assets less current liabilities			<u>20,168,121</u>		<u>22,304,363</u>
Creditors: amounts falling due after one year	12		-		(329,371)
Net assets			<u>20,174,509</u>		<u>21,974,992</u>
Capital and reserves					
Called up share capital	13		1,000,000		1,000,000
Share premium account			2,950,000		2,950,000
Profit and loss account			16,224,509		18,024,992
Shareholders' funds			<u>20,174,509</u>		<u>21,974,992</u>

These financial statements were approved and authorised by the Board of Directors on 20.2.2018 and signed on its behalf by:



Catherine Lemaitre
Director

The notes on pages 12 to 20 form part of these financial statements.

Poalim Asset Management (UK) Limited

Statement of changes in equity for the year ended 31 December 2017

	Share capital £	Share premium £	Profit and loss account £	Total equity £
1 January 2017	1,000,000	2,950,000	18,024,992	21,974,992
Loss for the year	-	-	(1,800,483)	(1,800,483)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(1,800,483)	(1,800,483)
At 31 December 2017	1,000,000	2,950,000	16,244,509	20,174,509
	Share capital £	Share premium £	Profit and loss account £	Total equity £
1 January 2016	1,000,000	2,950,000	17,228,738	21,178,738
Profit for the year	-	-	796,254	796,254
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	796,254	796,254
At 31 December 2016	1,000,000	2,950,000	18,024,992	21,974,992

The notes on pages 12 to 20 form part of these financial statements.

Poalim Asset Management (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017

1 Accounting policies

Basis of preparing the financial statements

Poalim Asset Management (UK) Limited ("the Company") is a Company limited by shares, registered and domiciled in England and Wales under the Companies Act 2006. The address of the registered office is given on the contents page. The principal activities of the Company and the nature of the Company's operations are set out in the Strategic report. The financial statements have been prepared in accordance with FRS 102, the 'Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Company's management to exercise judgement in applying the Company's accounting policies (see note 2).

Company disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements as permitted by FRS102 for qualifying entities:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the year has been presented;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the company;
- Not to prepare a statement of cash flows statement on the grounds that a parent undertaking includes the company in the parent company's published consolidated financial statements; and
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole.

The company's results are included in the publicly available consolidated financial statements of PAM Holdings Ltd and these financial statements may be obtained from Companies House.

The following principal accounting policies have been applied:

Going concern

The Directors have the intent to wind up the Company within 12 months from the signing of the financial statements. As such the Directors do not consider Poalim Asset Management (UK) Limited to be a going concern and have prepared the financial statements on a basis other than going concern. There have been no adjustments to the financial statements as a result of preparing the financial statements on a basis other than that of a going concern.

Turnover

Turnover arises solely within the United Kingdom and represents amounts (excluding value added tax) charged for advising and marketing activities associated with structured products and rebates from fund managers. The Company is involved in distribution of long-only and hedge funds for which it receives rebates. Investment management fees are based on funds under management and are recognised on accrual basis. Structured products fees are recognised when a product is issued.

Expenses policy

Administrative expenses are recognised as an expense in the period in which they are incurred.

Poalim Asset Management (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (*continued*)

1 Accounting policies (*continued*)

Termination benefits

Termination benefits are recognised as an expense in the profit and loss immediately as soon as the Company is committed by a constructive obligation.

Pensions

Contributions to individuals defined contribution pension schemes are charged to the profit and loss account in the year in which they become payable.

Leased assets

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction unless related or matching forward foreign currency exchange contracts have been entered into when the rate specified in the contract is used. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax.

Tax is recognised in the income statement, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Poalim Asset Management (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (*continued*)

1 Accounting policies (*continued*)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation on fixed assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Name of fixed asset	Useful Economic Life
Leasehold buildings and leasehold improvements	- Length of lease
Fixtures, fittings and equipment	- 3 years
Computer equipment	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Directors have made the following judgements:

- Determine whether leases entered into by the Company either as a lessor or lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Company's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- *Tangible fixed assets (see note 9)*

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Poalim Asset Management (UK) Limited

**Notes forming part of the financial statements
for the year ended 31 December 2017 (continued)**

3 Turnover

Turnover in the United Kingdom was £3,139,323 (2016 - £8,309,467). This represents amounts (excluding value added tax) charged for advising and marketing activities associated with structured products.

4 Operating (loss)/profit

	2017 £	2016 £
This is arrived at after charging/(crediting):		
Auditors' remuneration:		
- Audit	19,000	14,100
- Audit related assurance services	1,900	3,500
Other services - including taxation	10,500	14,400
Depreciation and other amounts written off tangible fixed assets:		
- owned	46,303	55,781
Operating leases - other assets	124,062	131,786
Foreign exchange loss	17,084	69,862
	<hr/>	<hr/>

5 Directors' remuneration

	2017 £	2016 £
Directors' emoluments	365,436	441,258
Company contributions to money purchase pension schemes	21,420	21,381
Compensation for loss of office	452,700	-
	<hr/>	<hr/>

The aggregate of emoluments of the highest paid director was £782,900 (2016 - £407,608), and company pension contributions of £21,420 (2016 - £21,381) were made to a money purchase scheme on behalf of that director.

	Number of directors 2017	Number of directors 2016
Retirement benefits are accruing to the following number of directors under:		
- Money purchase schemes	1	1
	<hr/>	<hr/>

Poalim Asset Management (UK) Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (*continued*)

6 Employees

	2017 £	2016 £
Staff costs (including directors) consist of:		
Wages and salaries	1,368,232	2,224,654
Termination benefits	1,663,398	807,499
Social security costs	160,791	274,920
Other pension costs	126,139	202,556
	<u>3,318,560</u>	<u>3,509,629</u>

The average number of persons employed by the company (including directors) during the year was 14 (2016 - 22). Staff costs are included in administrative expenses.

Termination benefits relate to compensation for loss of office during the year (2016 - £807,499).

7 Interest receivable and similar income

	2017 £	2016 £
Bank interest receivable	<u>227,182</u>	<u>241,926</u>

Poalim Asset Management (UK) Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (*continued*)

8 Taxation on (loss)/profit on ordinary activities

	2017 £	2016 £
<i>UK corporation tax</i>		
Current tax on (losses)/profits of the year	-	212,711
Adjustments in respect of previous year	(207,867)	-
	<hr/>	<hr/>
Total current tax	(207,867)	212,711
<i>Deferred tax</i>		
Origination and reversal of timing differences	(15,537)	-
	<hr/>	<hr/>
	(223,404)	212,711
	<hr/>	<hr/>

The tax charge for the year is lower than the standard rate of UK corporation tax (20%) due to the differences shown below:

	2017 £	2016 £
(Loss)/profit on ordinary activities before tax	(2,023,887)	1,008,965
	<hr/>	<hr/>
(Loss)/profit on ordinary activities at the standard rate of corporation tax in the UK of 19.25 % (2016 - 20.00%)	(389,529)	201,793
Effects of:		
Fixed asset differences	1,220	1,558
Expenses not deductible for tax purposes	3,467	97
Losses carried back	207,279	-
Group relief surrendered/(claimed)	5,447	-
Adjustments to tax charge in respect of previous periods	(226,148)	-
Adjust closing deferred tax to average rate of 19.25%	-	9,263
Deferred tax not recognised	190,397	-
	<hr/>	<hr/>
Total tax (credit)/charge for period	(207,867)	212,711
	<hr/>	<hr/>

Poalim Asset Management (UK) Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (*continued*)

9 Tangible fixed assets

	Computer equipment £	Office equipment £	Leasehold improvements £	Total £
<i>Cost</i>				
At 1 January 2017	96,194	110,481	154,548	361,223
Additions	1,012	-	-	1,012
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	97,206	110,481	154,548	362,235
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 January 2017	83,683	106,355	119,506	309,544
Charge for year	7,135	4,126	35,042	46,303
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	90,818	110,481	154,548	355,847
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 December 2017	6,388	-	-	6,388
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2016	12,511	4,126	35,042	51,679
	<hr/>	<hr/>	<hr/>	<hr/>

10 Debtors

	2017 £	2016 £
Trade debtors	123,943	1,237,957
Amounts owed by group undertakings	56,320	108,734
Other debtors	7,756	22,969
Prepayments and accrued income	181,504	251,991
Corporation tax debtor	265,258	-
	<hr/>	<hr/>
	634,781	1,621,651
	<hr/>	<hr/>

All debtor amounts fall due for repayment within one year.

Poalim Asset Management (UK) Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (*continued*)

11 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	48,157	43,922
Amounts owed to group undertakings	122,800	601,330
Other taxation and social security	45,406	151,483
Other creditors	1,888,263	1,239,313
Corporation tax	-	52,040
	<u>2,104,626</u>	<u>2,088,088</u>

12 Creditors: amounts falling due after one year

	2017 £	2016 £
Other taxation and social security	-	16,881
Other creditors	-	312,490
	<u>-</u>	<u>329,371</u>

13 Called up share capital

	2017 £	2016 £
<i>Authorised</i>		
Ordinary shares of £1 each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

The ordinary shares carry no right to fixed income and are not redeemable. Each share carries the right to one vote on a poll.

14 Reserves

Called up share capital

The nominal value of shares issued.

Share premium

Premium on issue of equity shares, net of issue cost.

Profit and loss account

The profit and loss account represents cumulative profits, losses and other comprehensive income made by the Company, as well as distributions and other adjustments.

Poalim Asset Management (UK) Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (*continued*)

15 Pension scheme

The Company made contributions to personal pension schemes totalling £126,139 (2016 - £202,956). Contributions totalling £Nil (2016 - £14,433) were payable at the balance sheet date.

16 Commitments under operating leases

The Company had total future minimum lease payments under non-cancellable operating leases as set out below:

	Land and buildings 2017 £	Land and buildings 2016 £
Operating leases which expire:		
Within one year	-	143,060
In one to five years	-	-
	<hr/>	<hr/>

17 Related party disclosures

The Company is controlled by PAM Holdings Ltd. The ultimate controlling party is Bank Hapoalim BM.

18 Ultimate parent company and parent undertaking of larger group of which the company is a member

PAM Holdings Ltd, a company registered in England & Wales, is the Company's immediate controlling entity and the parent undertaking of the smallest group for which group financial statements are drawn up.

Bank Hapoalim BM, a company incorporated in Israel, is the Company's ultimate controlling entity, also being the ultimate parent company and the parent undertaking of the largest such group.

Copies of group financial statements prepared in respect of PAM Holdings Ltd may be obtained from the Company Secretary, Hackwood Secretaries, One Silk Street, London EC2Y 8HQ; copies of the group financial statements prepared in respect of Bank Hapoalim BM can be obtained from Bank Hapoalim BM, 50 Rothschild Boulevard, Tel-Aviv 66883, Israel.