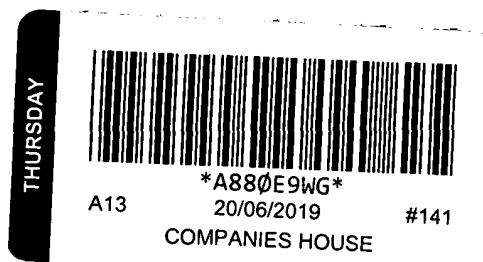


**Almack Holding Partnership GP Limited**

**Company Number: 05561955**

**Directors' Report and Financial Statements  
For The Year Ended  
31 December 2018**



## **Almack Holding Partnership GP Limited**

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**Almack Holding Partnership GP Limited**

**Company Information**

**Directors**

Julian Timothy Swayne  
Adam Wheeler

**Secretary**

Peter Clark

**Company Registration Number**

05561955

**Auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

**Registered Office**

20 Old Bailey  
London, United Kingdom  
EC4M 7BF

## **Almack Holding Partnership GP Limited**

### **Directors' Report**

The Directors herewith present their annual report, together with the audited financial statements of Almack Holding Partnership GP Limited for the year ended 31 December 2018.

#### **Background**

The principal activity of Almack Holding Partnership GP Limited ("the Company") is that of being the general partner of Almack Leveraged 1 LP, Almack Leveraged 2 LP and Almack Unleveraged 1 LP ("the Partnerships") which carry on the business of making debt and equity investments.

Pursuant to management agreements entered into between the Partnerships and the Company's parent undertaking, Baring Asset Management Limited, the latter entity is responsible for undertaking the functions of management of the Partnerships.

#### **Going Concern**

The Partnerships are due to terminate on 3 June 2019, and as part of this process it is intended that the Company will be liquidated. The Directors do not therefore believe that the going concern basis is appropriate for the preparation of these financial statements. The accounts have consequentially been prepared on a non-going concern basis.

#### **Financial Results**

The Company's loss for the financial year is £(2,277) (2017: £1,027).

#### **Directors**

The directors shown on page 3 all held office throughout the year.

#### **Britain Exiting from the EU ("Brexit")**

As noted above, the Directors intend to liquidate the Company within the next twelve months after the remaining assets in the Partnerships are sold.

Consequently, whilst the outcome of Brexit negotiations continues to be uncertain, it is not expected that they will adversely impact the Company. From a group perspective however, Barings continues to plan for a number of possible scenarios, including "no deal". Barings is committed to ensuring continuity of service for its investors and protecting its business against potential regulatory or other market access barriers related to Brexit.

#### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **Auditor**

Pursuant to Section 487(2) of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

#### **Small companies provisions**

The directors have taken advantage of the small companies' exemption from the requirement to prepare a strategic report.

**Almack Holding Partnership GP Limited**  
**Directors' Report (continued)**

**Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements**

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

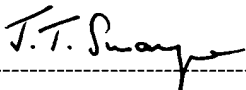
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. As explained in the directors' report and note 1 to these financial statements, 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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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



**Julian Swayne**

Director, Almack Holding Partnership GP Limited  
Registered Number 05561955  
22 May 2019

## **Almack Holding Partnership GP Limited**

### **Independent Auditor report to members of Almack Holding Partnership GP Limited**

#### **Opinion**

We have audited the financial statements of Almack Holding Partnership GP Limited (“the Company”) for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company’s affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### **The impact of uncertainties due to the UK exiting the European Union on our audit**

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company’s future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company’s future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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

We draw attention to the disclosure made in the directors report and note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

#### **Directors’ report**

The directors are responsible for the directors’ report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the directors’ report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors’ report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**Almack Holding Partnership GP Limited**  
**Independent Auditor report to members of Almack Holding Partnership GP Limited (continued)**

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

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

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.



**Paul McKechnie (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

15 Canada Square

London

E14 5GL

30 May 2019

**Almack Holding Partnership GP Limited**

**Statement of Comprehensive Income  
for the year ended 31 December 2018**

	Note	2018 £	2017 £
Turnover	2	—	267
Administrative expenses		(2,277)	655
<b>(Loss)/Profit on ordinary activities before taxation</b>		<b>(2,277)</b>	<b>922</b>
Tax on profit on ordinary activities	5	—	105
<b>(Loss)/Profit on ordinary activities after taxation</b>		<b>(2,277)</b>	<b>1,027</b>
<b>Total comprehensive income for the financial year</b>		<b>(2,277)</b>	<b>1,027</b>

All activities of the Company are expected to be discontinued by 3 June 2019. There were no other items of comprehensive income for the year.

The notes on pages 11 to 14 form part of these financial statements.



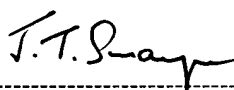
**Almack Holding Partnership GP Limited**

**Statement of Financial Position  
as at 31 December 2018**

	<b>Note</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Current Assets</b>			
Debtors	6	1	72
Cash at Bank		—	2,383
		<u>1</u>	<u>2,455</u>
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	7	—	(177)
		<u>—</u>	<u>(177)</u>
<b>Net current (liabilities) / assets</b>		<b>1</b>	<b>2,278</b>
Creditors: amounts falling due after more than one year	7	—	—
		<u>—</u>	<u>—</u>
<b>Total Net Assets</b>		<b><u>1</u></b>	<b><u>2,278</u></b>
<b>Capital and reserves</b>			
Called up share capital	8	1	1
Profit and loss account		—	2,277
		<u>—</u>	<u>2,277</u>
<b>Shareholders' funds</b>		<b><u>1</u></b>	<b><u>2,278</u></b>

The notes on pages 11 to 14 form part of these financial statements.

On behalf of the Board



-----  
**Julian Swayne**

Director, Almack Holding Partnership GP Limited

Registered Number 05561955

22 May 2019

**Almack Holding Partnership GP Limited**

**Statement of Changes in Equity  
for the year ended 31 December 2018**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total Equity</b>
	£	£	£
At 1 January 2017	1	1,250	1,251
Profit for the year	—	1,027	1,027
<b>At 31 December 2017</b>	<u>1</u>	<u>2,277</u>	<u>2,278</u>
Loss for the year	—	(2,277)	(2,277)
<b>At 31 December 2018</b>	<u><u>1</u></u>	<u><u>—</u></u>	<u><u>1</u></u>

The notes on pages 11 to 14 form part of these financial statements

## **Almack Holding Partnership GP Limited**

### **Notes to the financial statements**

#### **1. Accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

##### **a. Basis of preparation**

Almack Holding Partnership GP Limited ("the Company") is a company limited by shares and incorporated and domiciled in the UK.

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), and with the Companies Act 2006. The financial statements have been prepared under the fair value of assets/liabilities as at the reporting date.

The financial statements are prepared in pounds sterling, which is the functional currency of the Company.

The Company is included in the consolidated financial statements of Barings Europe Limited ("BEL"), therefore the Company is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. In preparing the financial statements of the Company, advantage has been taken of the exemptions available under FRS 102 to not prepare a Cash Flow Statement.

##### **b. Going concern**

As detailed in the directors' report, it is intended to liquidate the Company in line with the planned closure date of the fund. The directors have therefore determined not to prepare the financial statements on a going concern basis. However, this change does not have any impact on the way items have been presented, valued or classified.

##### **c. Turnover**

Turnover is measured at the fair value of the consideration received or receivable. Turnover is stated net of VAT. Performance fees are recognised once crystallised.

Turnover comprises amounts received from Limited Partnerships as a General Partner's share.

Under the terms of the Partnership Agreements governing the partnerships, the first charge on the Net Income and Capital Gains of the Partnerships in any Accounting Period shall be the General Partner's Share payable to the company. The General Partner's Share amounts to €100 per annum from each Limited Partnership.

##### **d. Taxation**

Tax on the profit and loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset when the Company intends to settle on a net basis and the legal right to offset exists.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax, or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or relieved on differences between the amount at which an asset or liability is recognised in the Company and the corresponding amount that can be deducted or assessed for tax.

**Almack Holding Partnership GP Limited**  
**Notes to the financial statements (continued)**

**d. Taxation (continued)**

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**e. Foreign currency translation**

Assets and liabilities denominated in foreign currencies are translated into Sterling at rates ruling at the statement of financial position: balance sheet date and gains or losses on translations are included in the profit and loss account. Transactions that are effected in foreign currency are translated into Sterling at the rate applicable on the date of the transaction.

**f. Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and money market funds.

**g. Trade and other debtors / creditors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Appropriate allowances for irrecoverable amounts are recognised.

**2. Turnover**

	2018	2017
	£	£
Amounts received as General Partner's Share	—	267

**3. Operating expenses**

The auditor's remuneration for statutory audit services is £3,500 (2017: £4,046), and is borne by the parent company, Baring Asset Management Limited.

Operating expenses also comprise of miscellaneous administrative expenses.

**4. Directors and employees**

The Company has no employees (2017: nil). The directors do not receive any remuneration for their services to the Company.

**5. Taxation**

	2018	2017
	£	£
<b>Analysis of charge for the year</b>		
Current Tax:		
Prior Year Tax Liability	177	(282)
Group Tax Relief Adjustment	(177)	—
Corporation tax at 19% (2017: 19.25%)	—	177
	—	(105)

**Almack Holding Partnership GP Limited**  
**Notes to the financial statements (continued)**

**6. Debtors**

	2018	2017
	£	£
Amount owed to fellow group undertakings	—	70
Amount owed by parent undertakings	1	1
Other	—	—
	<u>1</u>	<u>71</u>

**7. Creditors**

Amounts falling due within one year:

	2018	2017
	£	£
UK corporation tax payable	—	177
	<u>—</u>	<u>177</u>

Amounts falling due after more than one year:

	2018	2017
Amount owed to parent undertakings	—	—
	<u>—</u>	<u>—</u>

**8. Share Capital**

	2018	2017
	£	£
<b>Authorised</b>		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called and fully paid:</b>		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

**9. Related Party disclosure**

The Company is a wholly owned subsidiary of Massachusetts Mutual Life Insurance Company which prepares consolidated financial statements. It has taken advantage of the exemption contained in paragraph 33.1A of FRS 102 and has therefore not separately disclosed transactions or balances with entities which form part of the Massachusetts Mutual Life Insurance Group.

The Company is entitled to receive a general partner's share from the Partnership. For the year ended 31 December 2018, the general partners share received was £nil (2017: £267).

**10. Contingent liabilities and commitments**

There were no contingent liabilities or commitments at the balance sheet date.

**Almack Holding Partnership GP Limited**  
**Notes to the financial statements (continued)**

**11. Immediate and ultimate parent company**

The Company's immediate parent company is Baring Asset Management Limited and ultimate parent company is Massachusetts Mutual Life Insurance Company. The ultimate controlling party is Massachusetts Mutual Life Insurance Company.

The largest group in which the results of the Company are consolidated is that headed by Massachusetts Mutual Life Insurance Company. The consolidated financial statements of Massachusetts Mutual Life Insurance Company can be found on their website.

The smallest group in which they are consolidated is that headed by Barings Europe Limited ("BEL"). The financial statements of BEL can be obtained from the Firm's trading address and single alternative inspection location at 20 Old Bailey, London, EC4M 7BF.

**12. Judgements in applying accounting policies and key sources of estimation uncertainty**

The directors do not believe that there are any judgements or estimates that they have made in the application of these accounting policies that have a significant effect on the financial statements or have a significant risk of material adjustment in the next year.

**13. Subsequent events**

No significant events have occurred since the date of the Statement of Financial Position that require disclosure in the financial statements.