

Registered number: 07720342

Attestor Services Limited
Director's Report and Financial Statements
For the Year Ended 31 December 2016



Attestor Services Limited

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Attestor Services Limited

Company Information

Director	J Peters
Registered number	07720342
Registered office	4th Floor 20 Balderton Street London W1K 6TL
Independent auditors	Ernst & Young LLP 25 Churchill Place London E14 5EY
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Solicitors	Schulte, Roth & Zabel International LLP One Eagle Place London SW1Y 6AF

Attestor Services Limited

Director's Report For the Year Ended 31 December 2016

The director presents his report and the audited financial statements for the year ended 31 December 2016.

Director

The director who served during the year and up to the date of this report was:

J Peters

Going concern

The Director has reviewed the financial position and results of the Company and is confident that the Company has adequate financial resources to manage its business risks successfully. The Company currently generates revenue through a recharge of costs to the LLP and thus the Company is dependent on the LLP maintaining sufficient Assets under Management to continue receiving revenues. Whilst the level of assets under management managed by the LLP is subject to market volatility and potential investor redemptions, the funds have a diversified investor base that mitigates the effects of redemptions by one or more investors and the subsequent impact on the Company's revenues.

As a result, the director has a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future being a period of at least twelve months from the date that these financial statements were approved. Accordingly, he continues to adopt the going concern basis in preparing the Annual Report and Financial Statements

Disclosure of information to auditors

The director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies exemption

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006. The Director has also taken advantage of the exemption available to small companies from the requirement to prepare a strategic report.

This report was approved by the board on 21st APRIL 2017 and signed on its behalf.

J Peters
Director



**Director's Responsibilities Statement
For the Year Ended 31 December 2016**

The director is responsible for preparing the Director's Report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare audited financial statements for each financial year. Under that law the director has elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the director must not approve the audited financial statements unless he is 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 audited financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Independent Auditors' Report to the Shareholders of Attestor Services Limited

We have audited the financial statements of Attestor Services Limited for the year ended 31 December 2016, which comprise the Statement of Comprehensive Income, the Statement of Financial Position and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Director's Responsibilities Statement on page 3, the director is 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on the 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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; including FRS102 "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.

Independent Auditors' Report to the Shareholders of Attestor Services Limited (continued)

Opinion on other matter 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 Directors Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or Directors Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Director's Report



Neil Parker (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)
London

24 April 2017

Attestor Services Limited

Statement of Comprehensive Income For the Year Ended 31 December 2016

	<i>Note</i>	<i>2016</i> £	<i>2015</i> £
Turnover	4	4,882,388	4,458,570
Administrative expenses		(4,652,002)	(4,258,629)
Operating profit	5	230,386	199,941
Interest receivable	7	-	87
Interest payable	8	(386)	-
Profit before tax		230,000	200,028
Tax on profit	9	(78,303)	(66,959)
Profit for the year		151,697	133,069

There was no other comprehensive income for 2016 (2015: £nil).

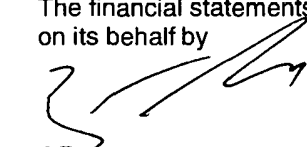
The notes on pages 8 to 18 form part of these financial statements.

Statement of Financial Position
As at 31 December 2016

	<i>Note</i>	<i>2016</i> £	<i>2015</i> £
Fixed assets			
Tangible assets	10	117,372	155,926
Investments	11	664,650	664,650
		<u>782,022</u>	<u>820,576</u>
Current assets			
Debtors: amounts falling due within one year	12	1,527,144	1,264,190
Cash at bank and in hand		300,078	319,666
		<u>1,827,222</u>	<u>1,583,856</u>
Creditors: amounts falling due within one year	13	(925,593)	(872,478)
Net current assets		<u>901,629</u>	<u>711,378</u>
Net assets		<u>1,683,651</u>	<u>1,531,954</u>
Capital and reserves			
Called up share capital	15	243,741	243,741
Profit and loss account		1,439,910	1,288,213
		<u>1,683,651</u>	<u>1,531,954</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board on 21 April 2017 and were signed on its behalf by


J Peters
 Director

**Notes to the Financial Statements
For the Year Ended 31 December 2016**

1. General information

Attestor Services Limited is a limited liability company incorporated and domiciled in England and Wales. The address of the registered office is 4th Floor, 20 Balderton Street, London, W1K 6TL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention and in compliance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, as it applies to small entities set out in section 1A of FRS 102, and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires management to exercise judgment in applying an entity's accounting policies and to consider the effect of estimation uncertainty. Note 3 provides further details of specific areas subject to judgement and uncertainty.

The Company has not prepared a cash flow statement in accordance with the small entities exemption under FRS 102.

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentation currency is British Pound Sterling, being the currency of the primary economic environment in which the Company operates.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

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

**Notes to the Financial Statements
For the Year Ended 31 December 2016**

2. Accounting policies (continued)

2.3 Revenue

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

Revenue from support services is recognised in the period that the management services are performed and are based on the costs of providing that service.

Profit allocations from the LLP are recognised as revenue when the amount of the allocation and the Company's entitlement to the allocation has been authorised and confirmed by the Executive Committee of the LLP.

2.4 Administrative expenses

Administrative expenses are recognised on an accruals basis when they are incurred.

2.5 Operating leases

Operating leases are those leases where the Company has use of an asset but where significantly all risks and rewards of ownership remain with the lessor and the lease term is not expected to be a significant portion of the useful life of the asset.

Rentals payable under operating leases are recognised on an accruals basis and charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease. Any incentives to enter into an operating lease are credited to the Statement of Comprehensive Income as a reduction of the rental expense on a straight line basis over the term of the lease.

2.6 Interest income

Interest income is recognised in the Statement of Comprehensive Income on an accruals basis using the effective interest method.

**Notes to the Financial Statements
For the Year Ended 31 December 2016**

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and 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.

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 by the statement of financial position date and any adjustment to the tax payable or recoverable in respect of the previous year.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date using tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date, except that deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax balances are not recognised in respect of permanent differences.

2.8 Tangible assets

Tangible 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation 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:

Leasehold improvements	- Term of the lease
Fixtures and fittings	- 4 years
Office equipment	- 3 years
Computer software	- 3 years

2.9 Investments

The investment balance comprises the capital contribution made by the Company to Attestor Capital LLP and is measured at cost less provision for impairment as it does not have a reliable fair value.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment.

2. Accounting policies (continued)

2.11 Cash and cash equivalents

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

2.12 Creditors

Short term creditors are measured at the transaction price.

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

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

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

The Director is of the opinion that a reliable fair value can not be determined for the investment in the LLP and as such this investment has been stated at cost less impairment.

The Director is of the opinion that it is probable that the Company will exercise the break clause in the lease agreement and as such the lease incentive is being charged to the statement of comprehensive income over the period to the rent review.

(b) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually and amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the tangible assets, and note 2.8 for the useful economic lives for each class of assets.

Impairment of debtors

The Director has reviewed the recoverable value of trade and other debtors in note 12, including the ageing profile of debtors and historical experience, and is confident that there are no indications that debtor balances should be impaired.

Impairment of investments

The Director has reviewed the operating results and financial position of the LLP and is confident that there are no indications that the Company's investment in the LLP should be impaired.

Attestor Services Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

4. Turnover

An analysis of turnover by class of business is as follows:

	2016 £	2015 £
Support service fees	4,652,388	4,258,570
Profit allocations	230,000	200,000
	<u>4,882,388</u>	<u>4,458,570</u>

All turnover arose within the United Kingdom.

5. Operating profit

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

	2016 £	2015 £
Depreciation of tangible assets	85,764	83,974
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	9,000	8,500
Exchange differences	(15,722)	420
Operating lease costs	225,653	220,252

No non-audit services were provided by the Company's auditor during 2016 (2015: nil).

6. Employees

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,832,518	1,461,803
Social security costs	262,619	205,192
	<u>2,095,137</u>	<u>1,666,995</u>

The key management personnel of the Company is the director who did not earn any remuneration for his incidental services to the Company. The director is also a member of and is remunerated through the LLP. No recharge is made to the Company by the LLP with respect to the Director's remuneration.

The average monthly number of employees, including directors, during the year was 9 (2015: 9).

**Notes to the Financial Statements
For the Year Ended 31 December 2016**

7. Interest receivable

	2016 £	2015 £
Bank interest	-	87

8. Interest payable

	2016 £	2015 £
Bank interest payable	386	-

9. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	80,389	73,417
Adjustments in respect of previous periods	4	28
	<u>80,393</u>	<u>73,445</u>
Deferred tax		
Origination and reversal of timing differences	(3,983)	(6,486)
Changes to tax rates	1,893	-
Total deferred tax	<u>(2,090)</u>	<u>(6,486)</u>
Taxation on profit on ordinary activities	<u>78,303</u>	<u>66,959</u>

Notes to the Financial Statements
For the Year Ended 31 December 2016

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	230,000	200,028
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2015: 20.25%)	46,000	40,506
Effects of:		
Expenses not deductible for tax purposes	30,406	26,675
Adjustments to tax charge in respect of prior periods	4	28
Marginal relief	-	(238)
Adjustment in respect of changes to tax rate	1,893	(12)
Total tax charge for the year	78,303	66,959

Factors that may affect future tax charges

The Government previously announced its intention to reduce the main corporation tax rate to 19% from 1 April 2017 and then to 17% from 1 April 2020. The announced rate reductions to 17% by 1 April 2020 have been substantively enacted by the statement of financial position date and have been reflected above where appropriate.

**Notes to the Financial Statements
For the Year Ended 31 December 2016**

10. Tangible assets

	<i>Leasehold improvement</i> £	<i>Fixtures and fittings</i> £	<i>Office equipment</i> £	<i>Computer software</i> £	<i>Total</i> £
Cost					
At 1 January 2016	131,344	62,727	72,107	28,000	294,178
Additions	-	38,916	6,119	2,175	47,210
At 31 December 2016	131,344	101,643	78,226	30,175	341,388
Depreciation					
At 1 January 2016	47,195	17,148	52,132	21,777	138,252
Charge for the period on owned assets	43,782	24,614	10,542	6,826	85,764
At 31 December 2016	90,977	41,762	62,674	28,603	224,016
Net book value					
At 31 December 2016	40,367	59,881	15,552	1,572	117,372
At 31 December 2015	84,149	45,579	19,975	6,223	155,926

11. Investments

	<i>Unlisted investments</i> £
Cost	
At 1 January 2016	664,650
At 31 December 2016	664,650

The investment represents capital contributed to Attestor Capital LLP ("the LLP") and represents 89% of the contributed capital of this entity. The Company is the corporate member of the LLP however the LLP is controlled by J Peters as set out by the LLP Deed dated 2 December 2011.

The investment is an equity instrument measured as cost less impairment losses.

**Notes to the Financial Statements
For the Year Ended 31 December 2016**

12. Debtors

	2016 £	2015 £
Amounts owed by related undertakings	269,077	653,590
Other debtors	932,876	333,129
Prepayments and accrued income	246,205	230,985
Tax recoverable	30,410	-
Deferred taxation	48,576	46,486
	<u>1,527,144</u>	<u>1,264,190</u>

Included in other debtors is an amount of £609,115 (2015 £nil) in respect of payroll taxes, disclosed in note 13, paid to the the Company's payroll service provider. The payroll taxes were settled after year end. Amounts owed by related undertakings are unsecured, interest free and due on demand.

13. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	33,512	689,352
Corporation tax payable	80,393	73,417
Taxation and social security	609,115	-
Accruals and deferred income	202,573	109,709
	<u>925,593</u>	<u>872,478</u>

Amounts owed to related undertakings are unsecured, interest free and repayable on demand.

The carrying value of trade creditors equates to the fair value of these liabilities.

14. Deferred taxation

	2016 £	2015 £
At 1 January 2016	46,486	40,000
Credited to the statement of comprehensive income	2,090	6,486
At 31 December 2016	<u>48,576</u>	<u>46,486</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2016**

14. Deferred taxation (continued)

The deferred tax asset is made up as follows:

	2016 £	2015 £
Future capital allowances	486	486
Profit allocations taxed in advance of receipt	48,125	46,000
	<u>48,611</u>	<u>46,486</u>

15. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
243,741 Ordinary shares of £1 each	<u>243,741</u>	<u>243,741</u>

16. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	225,225	270,270
Later than 1 year and not later than 5 years	603,517	828,742
	<u>828,742</u>	<u>1,099,012</u>

17. Related party transactions

Attestor Capital LLP, an entity under common control:

During the year, the Company charged a total of £ 4,652,388 (2015: £ 4,258,570) for support services provided to the LLP and was awarded profit allocations of £ 230,000 (2015: £ 200,000) by the LLP. The LLP also provided funding to the Company. At year-end the balance due to the Company from the LLP amounted to £ 269,077 (2015: £ 653,590).

Key management personnel:

The key management personnel are deemed to be the Director of the Company, and members of the LLP, as they are responsible for directing and controlling the activities of the Company. The aggregate amount paid to key management personnel during the year amounted to £17,529,582 (2015: £17,122,031).

18. Controlling party

The Company's immediate parent undertaking is Attestor Capital Limited, a company incorporated in the Cayman Islands. The ultimate controlling party is J Peters.