CITCO

Citco Advisors International Limited

Annual Report 2012

For the period of January 10, 2012, the date of incorporation, through December 31, 2012

Registered Number: 7904837

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Section 1

Management Board's Report

1. Management Board's Report

Directors

N Braham
J Denny
G Hassett

Secretary and registered office

Citco Advisors International Limited
7 Albemarle Street
W1S 4HQ
London
United Kingdom

Independent auditor

Deloitte LLP
2 New Street Square
London
EC4A 3BZ
United Kingdom

Report of the directors for the period from January 10, 2012 to December 31, 2012

The directors present their annual report together with the audited financial statements of Citco Advisors International Limited (the "Company") and its affiliates (together, the "Group") for the period ended December 31, 2012

Principal activities and future developments
The principal activity of the Company is to provide advisory, consultancy, and administrative support services, in areas of, but not limited to, legal, accounting, internal audit, liaison with external auditors, treasury, financial control and risk management services The support services are provided to affiliated companies

Results and dividends
The Group's profit for the period is £20,000 and is shown in the Statement of comprehensive income There were no other recognised gains or losses in the period The directors have not declared a dividend for the period

Going concern
The directors are satisfied with the performance of the Group The directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future Thus they continue to adopt the going concern basis of accounting in preparing the financial statements

Directors
The directors of the Company, who served throughout the period and up to the date of this report, were as follows

N Braham
J Denny
G Hassett

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were in place throughout the period and remain in force at the date of this report

Financial risk management objectives and policies
The Group's activities expose it to certain risks and further detail is provided in Note 3 to the financial statements

Key performance indicators
The performance of the business has been analysed at group level within its respective division of the Citco Group, in line with group policy The directors have monitored performance indicators and are satisfied with the Group's performance The principal performance indicators are income and profit levels, financial resources, client numbers and ageing of arrears, all of which are monitored on a monthly basis against annual targets

Report of the directors for the period from January 10, 2012 to December 31, 2012 (continued)

Directors' Responsibility Statement
The directors are responsible for preparing the Annual 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 financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union 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 Group and the Company and of the profit or loss of the Group for that period In preparing these financial statements, International Accounting Standard 1 requires that directors

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- make an assessment of the Company's ability to continue as a going concern

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 Group and to 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

Disclosure of Information to the Auditor
Each of the persons who is a director at the time when the report is approved confirms that

(a) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
(b) the director has taken all the steps that he/she ought to have taken as 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 and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Auditor
Deloitte have indicated their willingness to be appointed for another term, and appropriate arrangements have been put in place for them to be reappointed as auditor in the absence of an Annual General Meeting

Charitable Donations
During the period the Company did not make any charitable donations

Approved by the board of directors and signed on its behalf by

Glenn Hassett
Director
7 Albemarle Street, London W1S 4HQ
21st August 2013

Nicholas Braham
Director
7 Albemarle Street, London W1S 4HQ
21st August 2013

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Section 2

Financial Statements

2. Financial Statements

Income statement for the period from January 10, 2012 to December 31, 2012

	Note		2012
			GBP 000
Revenue			929
Operating expenses			
Personnel expenses	4,16	143	
Office rent		503	
Office and administration expenses		66	
Travel expenses		160	
Professional services		22	
Depreciation	5	1	
Other operating expenses	6	9	(904)
Net profit from operations	7		25
Net finance income			1
Net profit before tax			26
Income tax expense	8		(6)
Net profit after tax			20
Attributable to			
Shareholder of the Company			20
Net profit for the period			20

All profits come from existing operations

Statement of comprehensive income for the period from January 10, 2012 to December 31, 2012

	2012
	GBP 000
Net profit for the period	20
Other comprehensive income	-
Total other comprehensive income	20
Total comprehensive income for the period	20
Attributable to	
Shareholder of the Company	20

Statement of financial position as at December 31, 2012

	Note		2012
			GBP 000
Assets			
Non-current assets			
Property, plant and equipment	9		14
Current assets			
Current receivable from affiliated companies		332	
Other receivables and accrued income	10	76	
Cash and cash equivalents	11	36	444
Total assets			458
Equity and liabilities			
Share capital	12	-	
Retained earnings		20	
Total equity attributable to shareholders of the Company			20
Current liabilities			
Trade payables		38	
Other payables and accrued expenses	13	28	
Current payables to affiliated companies		297	
Current tax liabilities		6	
Bank overdraft		69	438
Total equity and liabilities			458

The financial statements were approved by the Board of Directors and authorized for issuance on 21st August 2013 and are signed on its behalf by

Directors

G Hassett

N Braham

Statement of changes in equity for the period from January 10, 2012 to December 31, 2012

	Issued ordinary shares	Retained earnings	Total
	GBP 000	GBP 000	GBP 000
Balance as at January 10, 2012	-	-	-
Net profit for the period	-	20	20
Other comprehensive income	-	-	-
Total comprehensive income	-	20	20
Total equity attributable to shareholder of the Company as at December 31, 2012	**-**	**20**	**20**

The Company did not declare or pay a dividend during the period

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Statement of cash flows under indirect method for the period from January 10, 2012 to December 31, 2012

	Note	2012
		GBP 000
Cash flows from operating activities		
Net profit for the period		20
Adjusted for		
• Income tax expense		6
• Depreciation		1
• Net interest expense		-
• Net interest income		(1)
		26
Movement in working capital		
• (Increase) in receivables from affiliated companies		(332)
• (Increase) in other receivables and accrued income		(76)
• Increase in trade payables		38
• Increase in other payables and accrued expenses		28
• Increase in current payable to affiliated companies		297
• Increase in bank overdrafts		69
Interest received		1
Income taxes paid		-
Net cash flow generated by operating activities		51
Cash flows from investing activities		
Additions to property, plant and equipment	9	(15)
Net cash flow used in investing activities		(15)
Issue of ordinary shares		-
Net cash flow generated by financing activities		-
Net increase in cash and cash equivalents		36
Cash and cash equivalents		
Cash and cash equivalents as at January 10		-
Cash and cash equivalents as at December 31		36
Increase in cash and cash equivalents		36

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Section 3

Notes to the Financial Statements

3. Notes to the financial statements

3.1. General

3.1.1. Ownership

The Company is privately held and it was incorporated on January 10, 2012 as a Private Limited Company The address of its registered office is as follows

7 Albermarle Street
London W1S 4HQ
United Kingdom

3.1.2. Company structure

The Company is a wholly-owned subsidiary of Citco III Limited, ('Ultimate Parent Company') located in Grand Cayman, Cayman Islands The Ultimate Parent Company and its subsidiaries will together be referred to as the 'Group' throughout this report

3.1.3. Activities

The Company provides advisory, consultancy, and administrative support services, in areas of, but not limited to, legal, accounting, internal audit, liaison with external auditors, treasury, financial control and risk management services The support services are provided to affiliates companies

3.1.4. Currency

The Company uses the GBP as functional currency and presentation currency, since that is the currency of the primary economic environment in which the Company is operating

3.1.5. Approval of the Board

These financial statements have been approved for issuance by the Board of Directors on 21st August 2013

3.2. Principal accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and its interpretations adopted by the European Union The financial statements have been prepared on the historical cost basis, except for the revaluation of financial instruments The historical cost is generally based on the fair value of the consideration given in exchange for assets The principal accounting policies adopted are set out below These have been applied consistently during the period

Comparative figures

As this is the first period for the Company's operations, comparative presentation is not applicable

Going Concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Management Board's Report on pages 4 to 6

The Company is expected to continue to generate positive cash flows as the entity provides support services to affiliated entities, and, in return, earns revenue based on the cost incurred

The directors, having assessed the responses of the directors of the company's parent, The Citco Group Limited, to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the group to continue as a going concern or its ability to continue with the current banking arrangements

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of The Citco Group Limited, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future

Furthermore, The Citco Group Limited has confirmed its intention to support the Company to enable it to meet its obligations as they fall due, and has issued a legally binding letter of support to the Company to that effect Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

3.2.1. New and amended standards adopted by the Group

- IAS 19 (revised), endorsed by the EU in June 2012

The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits The most significant change relates to the accounting for changes in defined benefit obligations ('DBO') and plan assets The amendments require the recognition of changes in DBO's and in the fair value of plan assets when they occur and accelerate the recognition of past service costs The amendments require that all actuarial gains and losses be recognized immediately through Other Comprehensive Income ('OCI') in order for the net pension asset or liability recognized in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus

The amendments to IAS 19 are effective for annual periods beginning on or after January 1, 2013 and require retrospective application Management has early adopted the amendments to IAS 19 in the Group's consolidated financial statements for the year beginning January 1, 2012 The early adoption has no impact on the Company

3.2.2. New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are not yet effective None of these are expected to have a material effect on the financial statements Below is a listing of the upcoming new standards and interpretations

Amendment to IAS 1 - Financial statement presentation, regarding OCI The main change resulting from these amendments is a requirement for entities to group items presented in OCI on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments) The amendments do not address which items are presented in OCI

IFRS 13 - Fair value measurement, aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP

IFRS 9 - Financial instruments, addresses the classification, measurement and recognition of financial assets and financial liabilities IFRS 9 was issued in November 2009 and October 2010 It replaces the parts of IAS 39 – Financial instruments Recognition and measurement, that relate to the classification and measurement of financial instruments IFRS 9 requires financial assets to be classified into two measurement categories, being those that are measured at fair value and those that are measured at amortized cost The determination is made at initial recognition

The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument For financial liabilities, the standard retains most of the IAS 39 requirements The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in OCI rather than the income statement, unless this creates an accounting mismatch The Group is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after January 1, 2015 The Group will also consider the impact of the remaining phases of IFRS 9 when completed by the International Accounting Standards Board

IFRS 10 - Consolidated financial statements, builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company The standard provides additional guidance to assist in the determination of control where this is difficult to assess The Group is yet to assess IFRS 10's full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after January 1, 2013

IFRS 11 - Joint arrangements, outlines the accounting by entities that jointly control an arrangement Joint control involves the contractual agreed sharing of control Arrangements that are subject to joint control are classified as either a joint venture (representing a share of net assets and equity accounted) or a joint operation (representing rights to assets and obligations for liabilities, accounted for accordingly) IFRS 11 was issued in May 2011 and applies to annual reporting periods beginning on or after January 1, 2013

IFRS 12 - Disclosures of interests in other entities, includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off-balance sheet vehicles The Group is yet to assess IFRS 12's full impact and intends to adopt IFRS 12 no later than the accounting period beginning on or after January 1, 2013

3.2.3. Use of estimates in the preparation of financial statements

In preparing the financial statements, management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities Use of available information and application of judgment are inherent in the formation of estimates Although these estimates are based on management's best knowledge of current events and actions, actual results in the future could differ from such estimates and the differences may be material to the financial statements

3.2.4. Foreign currency translation

Transactions in currencies other than GBP are initially recorded at the rates of exchange prevailing on the date of the transactions Monetary assets and liabilities denominated in such currencies are retranslated at the rates prevailing at the end of the reporting period Gains and losses arising on exchange are included in the income statement for the year

3.2.5. Revenue recognition

Revenue comprises the value for the rendering of services in the ordinary course of the Company's activities The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and the stage of completion of the transaction at the balance sheet date can be measured reliably The amount of revenue is not considered to be reliably measured until all significant contingencies relating to the sale have been resolved The Company bases its estimates on historic results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement

Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable Interest income is recognized as earned

Fees and commissions are generally recognized on an accrual basis when the service has been provided

3.2 6. Operating expenses

Operating expenses are calculated at cost and are recognized in the period to which they relate Amortization and depreciation charges on intangible (excluding intangible assets with indefinite lives (i e goodwill)) and tangible assets are based on cost and are calculated by the straight-line method over the estimated lives of the assets concerned

3.2.7. Borrowing costs

Borrowing costs related to loans which are directly attributable to the acquisition of qualifying assets, are capitalized and subsequently amortized in line with the repayment schedule of the respective loans

Capitalized borrowing costs related to loans which are refinanced of which the terms are not considered substantially the same are written off and costs incurred in respect of the new loan are subsequently amortized over the term of the loan

All other borrowing costs are recognized in the income statement in the year in which they are incurred

3.2.8. Retirement benefit costs

Payments to defined contribution retirement schemes are charged as an expense as they fall due Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement scheme

In 2012, the Company has applied IAS 19 (revised) Employee Benefits and the related consequential amendments in advance of their effective dates

3.2.9. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax

The tax currently payable is based on taxable profit for the year Taxable profit differs from profit as reported in the income statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit Deferred tax liabilities are generally recognized for all taxable temporary differences Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in OCI or directly in equity, in which case, the current and deferred tax are also recognized in OCI or directly in equity respectively Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination

3.2.10. Property, plant and equipment

Land held for use in the supply of services, or for administrative purposes, is stated in the statement of financial position at historical cost less any accumulated impairment Land is not depreciated Buildings held for use in the supply of services, or for administrative purposes, are stated in the statement of financial position at historical cost less any subsequent accumulated depreciation and any accumulated impairment Machinery and equipment, leasehold improvements and other tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment

If an item of property and equipment comprises several major components with different useful lives, each component is accounted for separately

Depreciation is charged so as to write off the cost over their estimated useful lives, using the straight-line method, on the following bases

Buildings	30 years
Machinery and equipment	3-10 years
Leasehold improvements	Term of the lease
Other tangible fixed assets	3-10 years

These assets are reviewed at each reporting period for indications of impairment If an indication of impairment exists, the recoverable amount of the asset is estimated based on its fair value An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount In addition, the useful lives of these assets are also reviewed and adjusted, if appropriate, at each reporting period

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset This is recognized in the income statement

3.2.11. Financial instruments

Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company has become a party at (trade date) to the contractual provisions of the instrument Financial assets and liabilities are offset and the net amounts are reported in the statement of financial position when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the net asset and settle the liability simultaneously

Financial guarantee contract liabilities are measured initially at their fair values and are subsequently measured at the higher of

- the amount of the obligation under the contract, as determined in accordance with IAS 37 - Provisions, contingent liabilities and contingent assets, and
- the amount initially recognized less, where appropriate, cumulative amortization recognized in accordance with the revenue recognition policy as described in Note 3 2 5

Investments are recognized and derecognized on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value, net of transaction costs

Financial assets are classified into the following specified categories financial assets 'at fair value through profit or loss', 'held-to-maturity investments', 'available-for-sale' and 'loans and receivables' The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition

Debt instruments that are classified as held-to-maturity, available-for-sale or loans and receivables recognize income on an effective interest rate basis

Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss where the Company acquires the financial assets principally for the purpose of selling in the near term, the financial asset is a part of an identified portfolio of financial instruments that the Company manages together and has a recent actual pattern of short-term profit taking as well as all derivatives that are designated and effective hedging instruments Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognized in profit or loss The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset

Where an entity designates financial assets into the financial assets at fair value through profit or loss category it discloses

(i) the nature of the financial assets,
(ii) the criteria for so designating such financial assets on initial recognition, and
(iii) how the entity has satisfied the requirements in IAS 39 for such designation, including a narrative description of the circumstances underlying the measurement or recognition inconsistency that would otherwise arise or of how designation at fair value through profit or loss is consistent with the entity's documented risk management or investment strategy, as appropriate

Held-to-maturity investments

Debt instruments for which the Company has the expressed intention and ability to hold to maturity are subsequently measured to redemption value over the remaining lifetime, less any impairment loss recognized to reflect irrecoverable amounts

The annual amortization of any discount or premium on the acquisition of a held-to-maturity security is aggregated with other investment income receivable over the term of the instrument, so that the revenue recognized in each period represents the effective interest rate on the investment

Available-for-sale financial assets

Certain shares and redeemable notes held by the Company are classified as being available-for-sale and are stated at fair value as described in

Gains and losses arising from changes in fair value are recognized in OCI and accumulated in revaluation available-for-sale assets reserve with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets which are recognized directly in profit or loss Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognized in the investments revaluation reserve is included in profit or loss for the period

Dividends on available-for-sale equity instruments are recognized in profit or loss when the Company's right to receive payments is established

The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at reporting date The change in fair value attributable to translation differences that result from a change in amortized cost of the asset is recognized in profit or loss, and other changes are recognized in OCI

Where the Company designates a financial asset into the available-for-sale category it discloses the criteria used in making the designation

3.2.12. Trade receivables

Trade receivables are stated at their nominal value and reduced by appropriate allowances for estimated irrecoverable amounts The carrying value approximates fair market value

3.2.13. Accrued income

Accrued income is stated at its nominal value Accrued income includes fees for services provided but that are not yet invoiced

3.2.14. Loans and advances to customers

Loans and advances originated by the Company include loans where money is provided directly to the borrower

Loans originated by the Company are initially recorded at fair value Interest on loans originated by the Company is included in interest income and is recognized on an accrual basis Fees and direct costs relating to loan origination, refinancing or to loan commitments are directly recorded in the income statement due to the short-term nature of the loans The majority of loans bear floating interest rates implying no impairment risk that relates to any potential interest rate movement

3.2.15. Allowance for credit losses

An allowance for credit losses is established if there is objective evidence that the Company will be unable to collect all amounts due on a claim according to the original contractual terms or the equivalent value A claim means a loan, a commitment such as a letter of credit, a guarantee, a commitment to extend credit, or other credit product

An allowance for credit losses is reported as a reduction of the carrying value of a claim on the statement of financial position Additions to the allowances for credit losses are made through value adjustments

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited as a reduction of the provision for loan losses

In those jurisdictions in which a general provision is required by the local regulators, a general provision is maintained to cover unknown loan losses in the loan portfolio As these general provisions are not allowed under IFRS, a legal reserve has been formed as part of equity in this set of financial statements for an equal amount as the locally applicable general provision The annual movement in the locally applicable general provision is shown in this set of financial statements as a movement between the equity components retained earnings and regulatory reserve

Allowances for credit losses are evaluated at a counterparty-specific level

Counterparty-specific

A claim is considered impaired when management determines that it is probable that the Company will not be able to collect all amounts due according to the original contractual terms or the equivalent value Individual credit exposures are evaluated based upon the borrower's character, overall financial condition, resources and payment record, the original contractual term, exit possibilities and, where applicable, the realizable value of any collateral The estimated recoverable amount is the present value of expected future cash flows, which may result from restructuring or liquidation Impairment is measured and allowances for credit losses are established for the difference between the carrying amount and the estimated recoverable amount

3.2.16. Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term deposits The carrying amount approximates fair market value

3.2.17. Trade payables

Trade payables are stated at their nominal value The carrying amount approximates fair market value The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe

3.2.18. Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made If the effect is material, the provision is determined by discounting the expected future cash flows Provisions are not recognized for future operating losses

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation The increase in the provision due to the passage of time is recognized as finance expense When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably

3.2.19. Long-term loans

The long-term loans are measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period

3.2.20. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee All other leases are classified as operating leases

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation

Finance lease payments are allocated between interest expense and reduction of lease liability over the term of the lease The interest expense is determined by applying the interest rate implicit in the lease to the outstanding lease liability at the beginning of each lease payment period

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed

3.2.21. Statement of cash flows

Cash and cash equivalents for the purpose of the statement of cash flows include cash on hand, deposits available on demand with central banks and net credit balances on current accounts with other banks

The statement of cash flows, based on the indirect method of calculation, gives details of the source of cash and cash equivalents which became available during the year and the application of these cash and cash equivalents over the course of the year

3.3. Financial risk management

3.3.1. Risk overview

In its operating environment and daily activities, the Company encounters various risks and constantly strives to manage these risks

The main risks identified by the Company, related to its activities, are

(a) Market risk which includes three types of risk

  (i) currency risk the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates,
  (ii) interest rate risk the risk that the value of a financial instrument will fluctuate because of changes in market interest rates, and
  (iii) other price risk the risk that the value of a financial instrument will fluctuate due to price movements other than those arising from currency fluctuations or interest rate fluctuations

(b) Liquidity risk the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities

(c) Credit risk the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss

The Company does not apply hedge accounting

Market risk

The Group's policy is to reduce market risk to a minimum Market risk embodies not only the potential for loss but also the potential for gain The Group does not maintain a trading portfolio and therefore is not directly exposed to other price risk The treasury instruments available to manage and reduce these risks have been approved by the Board of directors This policy serves to set a framework of limits and to ensure limits are clearly defined There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk

Currency risk

It is the Group's policy not to actively enter into a risk position and it usually refinances in the same currency with the same maturity The Ultimate Parent Company uses hedging techniques to protect the Group from sudden fluctuations in the currency markets in relation to operating income and expenses Any currency risk resulting from fluctuations in exchange rates is reduced due to the ultimate parent company entering into forward contracts in order to hedge its exposure The table below summarizes the Company's exposure to currency risk translated to GBP and is considered immaterial to the Company's results

	GBP	USD	Total
	GBP 000	GBP 000	USD 000
As at December 31, 2012			
Property, plant and equipment	14	-	14
Current receivables from affiliated companies	-	332	332
Other receivables and accrued income	76	-	76
Cash and cash equivalents	36	-	36
Total assets	126	332	458
Trade payables	38	-	38
Other payables and accrued expenses	28	-	28
Current payables to affiliated companies	-	297	297
Current tax liabilities	6	-	6
Bank overdraft	73	(4)	69
Total liabilities	145	293	438
Net balance sheet position	(19)	39	20

Interest rate risk

Interest rate risk is considered to be low as the Company currently has minimal borrowings

Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and by continuously monitoring forecast to actual cash flows The following table represents the Company's remaining contractual maturity for its assets and liabilities The table has been drawn up based the earliest date on which the Company can be required to receive and pay, respectively

	Up 1 month	1-3 months	3-12 months	Illiquid	Total
	GBP 000	GBP 000	GBP 000	GBP 000	USD 000
As at December 31, 2012					
Property, plant and equipment	-	-	-	14	14
Current receivables from affiliated companies	332	-	-	-	332
Other receivables and accrued income	38	38	-	-	76
Cash and cash equivalents	36	-	-	-	36
Total assets	406	38	-	14	458
Trade payables	19	19	-	-	38
Other payables and accrued expenses	28	-	-	-	28
Current payables to affiliated companies	-	-	297	-	297
Current tax liabilities	-	-	6	-	6
Bank overdraft	69	-	-	-	69
Total liabilities	116	19	303	-	438
Net surplus/(deficit)	290	19	(303)	14	20

Credit risk

Credit risk is the risk that a counterparty will be unable to meet a commitment that it has entered into with the Company

The company's maximum exposure to credit risk, arising from holdings of cash and cash equivalents as at 31 December 2012, is the carrying amount of those assets as indicated in the statement of financial position This is managed by using only banks and brokers which are of high credit quality

The Company is also exposed to credit risk on the receivables balances due at the period end date A significant concentration of the receivables balance is due from one affiliated company as the Company makes the majority of revenue from this affiliated company

4. Personnel expenses

	2012
	GBP 000
Salaries and bonuses	96
Social charges and taxes	11
Pension expenses	1
Other personnel expenses	35
Personnel expenses	143

The average number of full-time employees for the period was four

5. Depreciation

	2012
	GBP 000
Machinery and equipment	1
Total depreciation	1

6. Other operating expenses

	2012
	GBP 000
Bank charges	6
Other expenses	3
Total other operating expenses	9

7. Auditor's remuneration

	2012
	GBP 000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	12

8. Income tax expense

	2012
	GBP 000
Current tax expense	
Current tax	6
Income tax expense in the income statement	6

Reconciliation of effective tax rate

		2012
	%	GBP 000
Net profit before tax		26
Income tax using the domestic corporate income tax rate of 24%	24	6
Income tax expense	24	6

9. Property, plant and equipment

	Machinery and equipment
	GBP 000
Cost	
As at January 1, 2012	-
Additions	15
As at December 31, 2012	15
Accumulated depreciation and impairment	
As at January 1, 2012	-
Depreciation	1
As at December 31, 2012	1
Net carrying amount	
As at December 31, 2012	**14**

10. Other receivables and accrued income

	2012
	GBP 000
VAT receivable	40
Prepaid expenses	36
As at December 31,	76

11. Cash and cash equivalents

	2012
	GBP 000
Current accounts with other banks	36
As at December 31,	36

12. Share capital

Authorized shares

	2012
	Number of shares
Ordinary shares at a par value of GBP 1 each	1
As at December 31,	1

13. Other payables and accrued expenses

	2012
	GBP 000
Taxes and social security contributions payable	8
Accrued expenses	20
As at December 31,	28

14. Operating lease arrangements

Lease payments under operating leases recognized in the income statement for the period ended December 31, 2012 amount to GBP 468,000

As at the end of the reporting period, the Company had outstanding commitments under non-cancellable operating leases, which fall due as follows

	2012
	GBP 000
Within one year	289
In the second to fifth years inclusive	289
After five years	-
As at December 31,	578

Operating lease payments represent rentals payable by the Company for its office properties

15. Related party transactions

Related party transactions are recognized on an arm's length basis A summary of the transactions between the Company and its related parties for the period ended December 31, are as follows

	2012
	GBP 000
Services rendered to The Citco Group Limited	929

16. Directors' remuneration

Remuneration paid to the executive directors during the period and current account balances were as follows

	2012
	GBP 000
Salary and fringe benefits	-
Pension premiums	-
	-

The remuneration of the Executive directors is decided by the shareholders

17. Events after the reporting date

There were no events that occurred subsequent to December 31, 2012 that require consideration as adjustments to or disclosures in the financial statements

Signing of the financial statements

On 21st August 2013 the Board of Directors authorized the financial statements for issuance

Executive directors

Glenn Hassett Chief Financial Officer

Nicholas Braham Legal Counsel

Section 4

Other Information

Statutory rules concerning appropriation of result

The Articles of Incorporation of the Company provide that the appropriation of the net result for the period is decided upon the annual General Meeting of Shareholders

Proposed appropriation of result for the financial period 2012

Awaiting the decision by the shareholders, the net result for the period has been included in retained earnings

CITCO

Section 5

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITCO ADVISORS INTERNATIONAL LIMITED

We have audited the financial statements of Citco Advisors International Limited for the period from 10 January 2012 to 31 December 2012 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flow, the Statement of Changes in Equity and the related notes 3 to 17 The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

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 Directors' Responsibilities Statement, 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 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 directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the period then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, 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 period for which the financial statements are prepared is consistent with the financial statements

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
- we have not received all the information and explanations we require for our audit

C. M. Th

Calum Thomson FCA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

London, United Kingdom

21st August 2013