

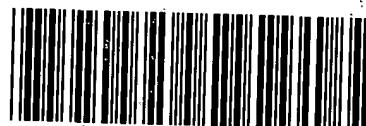
CITCO

Citco Advisors International Limited
and Subsidiary

Annual Report 2015

Registered Number: 7904837

SATURDAY



A5AUGLOW

A16

09/07/2016

#203

COMPANIES HOUSE

CITCO

TABLE OF CONTENTS

SECTION

PAGE

1. Report of the directors and strategic report	3
2. Consolidated Financial Statements	8
Consolidated Income statement for the year ended December 31, 2015	9
Consolidated Statement of financial position as at December 31, 2015	10
Consolidated Statement of changes in equity for the year ended December 31, 2015	11
Consolidated Statement of cash flows under indirect method for the year ended December 31, 2015	13
3. Notes to the Consolidated Financial Statements	14
3.1. General	15
3.2. Principal accounting policies	16
3.3. Financial risk management	22
4. Personnel expenses	25
5. Professional services	25
6. Depreciation	25
7. Other operating expenses	25
8. Net finance (income)/expense	25
9. Income tax expense	26
10. Property, plant and equipment	27
11. Other receivables	27
12. Cash and cash equivalents	27
13. Share capital	28
14. Other payables and accrued expenses	28
15. Provisions	28
16. Operating lease arrangements	28
17. Related party transactions	29
18. Directors' remuneration	29
19. Events after the reporting date	29
4. Other Information	31
5. Citco Advisors International Limited Company Financial Statements	33
6. Independent Auditor's Report	40

CITCO

Section 1

Report of the directors and strategic report

1. Company Information

Directors

N. Braham
G. Hassett

Secretary and registered office

Citco Advisors International Limited ("Company")
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 year ended December 31, 2015

The directors present their annual report together with the audited consolidated financial statements of the Group for the year ended December 31, 2015.

Going concern

The directors are satisfied with the performance of the Group. The directors have, at the time of approving the consolidated 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 consolidated financial statements.

Directors

The directors of the Group, who served throughout the year and up to the date of this report, were as follows:

N. Braham
G. Hassett

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

Dividends

No dividends were declared during the year. Subsequent to December 31, 2015, the directors proposed a dividend of USD 800,000/GBP 564,912 (2014: USD nil/GBP nil) this was approved on March 16, 2016 and paid on March 24, 2016.

Directors' Responsibility Statement

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

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law the directors have elected to prepare the consolidated 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 consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing these consolidated 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 Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the directors for the year ended December 31, 2015 (continued)

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 Group's auditor is unaware; and
- (b) the director has taken all the steps that he ought to have taken as director in order to make himself aware of any relevant audit information and to establish that the Group'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.

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



Glenn Hassett
Director
7 Albemarle Street, London W1S 4HQ
June 14, 2016



Nicholas Braham
Director
7 Albemarle Street, London W1S 4HQ
June 14, 2016

Strategic Report of the directors for the year ended December 31, 2015

The directors present their strategic report together with the audited consolidated financial statements of the "Group" for the year ended December 31, 2015.

Principal activities

The principal activity of the Group is to provide advisory, consultancy, and administrative support services, in areas of, but not limited to, legal, accounting, internal audit, treasury, financial control and risk management services. The support services are provided to affiliates of the Citco Group of companies.

Business review

The Group's profit for the year is GBP 352,000 (2014: GBP 318,000) and is shown in the consolidated income statement.

On December 21, 2015 the Company invested in 60% of the share capital of New Time Travel Co S. à r. l., a travel agency based in Paris, France.

Key performance indicators

The performance of the business has been analysed at group level, 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, along with financial resources, all of which are monitored on a monthly basis against annual targets.

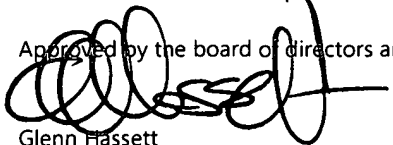
Principal risks and uncertainties

The Group's activities expose it to certain risks and further detail is provided in Note 3.3 to the consolidated financial statements.

Future developments in the business

There are no future developments in the business.

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



Glenn Hassett
Director

7 Albemarle Street, London W1S 4HQ
June 14, 2016



Nicholas Braham
Director

7 Albemarle Street, London W1S 4HQ
June 14, 2016

CITCO

Section 2

Consolidated Financial Statements

2. Consolidated Financial Statements

Consolidated income statement for the year ended December 31,

	Note	2015 GBP 000	2014 GBP 000
Revenue		<u>10,140</u>	<u>8,407</u>
Operating expenses:			
Personnel expenses	4	7,710	6,078
Restructuring expenses		176	93
Office rent		588	705
Office and administration expenses		217	179
Travel expenses		557	624
Professional services	5	204	103
Depreciation	6	209	177
Other operating expenses	7	<u>138</u>	<u>45</u>
		9,799	8,004
Net profit from operations		341	403
Net finance (income)/expense	8	<u>(119)</u>	<u>2</u>
Net profit before tax		460	401
Income tax expense	9	<u>108</u>	<u>83</u>
Net profit after tax		<u>352</u>	<u>318</u>
Attributable to:			
Shareholder of the Company		<u>352</u>	<u>318</u>
Net profit for the year		<u>352</u>	<u>318</u>

All results derive from continuing operations. The notes on pages 14 to 30 form an integral part of these consolidated financial statements.

There has been no Comprehensive income other than the profit for the current and prior year and, accordingly, no statement of Comprehensive income is presented.

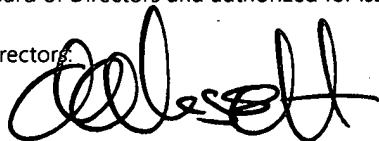
Consolidated statement of financial position for the year ended December 31,

	Note	2015	2014
		GBP 000	GBP 000
Assets			
Non-current assets			
Property, plant and equipment	10	<u>477</u>	<u>555</u>
		477	555
Current assets			
Current receivable from affiliated companies		1,119	827
Other receivables	11	<u>307</u>	<u>178</u>
Current tax receivable		27	47
Cash and cash equivalents	12	<u>1,740</u>	<u>1,324</u>
		3,193	2,376
Total assets		<u><u>3,670</u></u>	<u><u>2,931</u></u>
Equity and liabilities			
Share capital	13	975	597
Retained earnings		<u>893</u>	<u>541</u>
Equity attributable to shareholder of the Company		1,868	1,138
Non-controlling interests		<u>3</u>	<u>—</u>
Total equity		1,871	1,138
Non-current liabilities			
Deferred tax liabilities		31	63
		31	63
Current liabilities			
Trade payables		276	347
Other payables and accrued expenses	14	<u>1,180</u>	<u>984</u>
Current payables to affiliated companies		136	399
Provisions	15	<u>176</u>	<u>—</u>
		1,768	1,730
Total equity and liabilities		<u><u>3,670</u></u>	<u><u>2,931</u></u>

All results derive from continuing operations. The notes on pages 14 to 30 form an integral part of these consolidated financial statements.

The financial statements of Citco Advisors International Limited (Registered number 7904837) were approved by the Board of Directors and authorized for issuance on June 14, 2016 and are signed on its behalf by:

Directors:



G. Hassett



N. Braham

CITCO

Consolidated statement of changes in equity for the year ended December 31, 2015

	Issued ordinary shares	Retained earnings	Equity attributable to shareholder of the Company	Non- controlling interest	Total
	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000
Balance as at January 1, 2015	597	541	1,138	–	1,138
Net profit for the year	–	352	352	–	352
Other comprehensive income	–	–	–	–	–
Total comprehensive income	–	352	352	–	352
Issuance of shares	378	–	378	–	378
Non-controlling interest in acquired subsidiary	–	–	–	3	3
Total transactions with the shareholder (excluding dividends)	378	–	378	3	381
Balance as at December 31, 2015	975	893	1,868	3	1,871

The Group did not declare or pay a dividend during the year.

All results derive from continuing operations. The notes on pages 14 to 30 form an integral part of these consolidated financial statements.

CITCO

Consolidated statement of changes in equity for the period ended December 31, 2014

	Issued ordinary shares GBP 000	Retained earnings GBP 000	Total GBP 000
Balance as at January 1, 2014	–	223	223
Net profit for the year	–	318	318
Other comprehensive income	–	–	–
Total comprehensive income	–	318	318
Issuance of shares	597	–	597
Total transactions with the shareholder (excluding dividends)	597	–	597
Total equity attributable to shareholder of the Company as at December 31, 2014	597	541	1,138

The Group did not declare or pay a dividend during the period.

All results derive from continuing operations. The notes on pages 14 to 30 form an integral part of these consolidated financial statements.

CITCO

Consolidated statement of cash flows under indirect method for the year ended December 31,

	Note	2015 GBP 000	2014 GBP 000
Cash flows from operating activities:			
Net profit for the year		352	318
Adjusted for:			
• Income tax expense		108	83
• Depreciation	6	209	177
• Net finance (income)/expense	8	(119)	2
		550	580
Movement in working capital:			
• (Increase) in receivables from affiliated companies		(292)	(261)
• (Increase) in other receivables		(129)	(88)
• (Decrease)/increase in trade payables		(71)	332
• Increase in other payables and accrued expenses		196	773
• (Decrease)/increase in current payable to affiliated companies		(263)	99
• Increase in provisions		176	–
• Foreign exchange gains/(losses)		119	(1)
Cash generated by operations		286	1,434
Interest paid		–	(1)
Income taxes paid		(120)	(109)
Net cash flow generated by operating activities		166	1,324
Cash flows from investing activities:			
Additions to property, plant and equipment	10	(131)	(718)
Net cash flow (used in) investing activities		(131)	(718)
Cash flows from financing activities:			
Issuance of shares		378	597
Contribution from non-controlling interest		3	–
Net cash flow generated by financing activities		381	597
Net increase in cash and cash equivalents		416	1,203
Cash and cash equivalents:			
Cash and cash equivalents as at January 1	12	1,324	121
Cash and cash equivalents as at December 31	12	1,740	1,324
Increase in cash and cash equivalents		416	1,203

All results derive from continuing operations. The notes on pages 14 to 30 form an integral part of these consolidated financial statements.

CITCO

Section 3

Notes to the Consolidated Financial Statements

3. Notes to the consolidated financial statements

3.1. General

3.1.1. Ownership

The Company is privately held and it was incorporated on January 10, 2013 as a Private Limited Company. The address of its registered office is as follows:

7 Albemarle Street
London
W1S 4HQ
United Kingdom

As of December 21, 2015, the Company became the majority shareholder of New Time Travel Co S. à r. l. and is therefore now required to prepare consolidated financial statements.

The consolidated financial statements of the Company for the year ended December 31, 2015 comprise of the Company and its subsidiary (together referred as the 'Group').

3.1.2. Group structure

The Group is a wholly-owned subsidiary of The Citco Group Limited (the 'Parent Company'), located in Grand Cayman, Cayman Islands. The Citco Group Limited is ultimately a wholly-owned subsidiary of Citco III Limited (the 'Ultimate Parent Company'), a Cayman Islands Company.

3.1.3. Activities

The Group provides advisory, consultancy, and administrative support services, in areas of, but not limited to, legal, accounting, internal audit, 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 consolidated financial statements have been approved for issuance by the Board of Directors on June 14, 2016.

3.2. Principal accounting policies

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and its interpretations adopted by the European Union ('EU'). The consolidated 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 year.

Comparative figures

In order to align with the current year's presentation certain insignificant changes have been made to the comparative figures. These reclassifications have no effect on the total equity or income for the year.

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 7.

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 Company Limited, to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company 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 Company Limited, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual consolidated financial statements.

3.2.1. New and amended standards adopted by the Company

- Annual Improvements to IFRSs 2010-2012 Cycle and 2011-2013 Cycle, minor amendments to a number of standards

The adoption of the improvements made in the 2010-2012 Cycle and 2011-2013 has had no material impact on the disclosures or the amounts recognized in the consolidated financial statements.

3.2.2. New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations have been endorsed but are not yet effective. Management is currently evaluating the impact of these new standards and interpretations but does not expect a material impact to the consolidated financial statements. Below is a listing of the upcoming new standards and interpretations:

- Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations, annual periods on or after 1 January 2016.

The amendments add new guidance on how to account for the acquisition of interest in joint operations that constitutes a business.

- Amendments to IAS 1 Disclosure Initiative, annual periods on or after 1 January 2016.

The amendment encourages companies to apply professional judgement in determining what information to disclose in the financial statements.

- Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation, annual periods on or after 1 January 2016.

The amendment prohibits revenue-based depreciation methods and generally presumes that such methods are an inappropriate basis for amortizing intangible assets.

- Annual Improvements to IFRSs 2012-2014 Cycle, annual periods on or after 1 January 2016.
- Minor amendments to a number of standards.

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. There are no material use of estimates in the preparation of these financial statements.

3.2.4. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary made at December 31. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect returns through its power over the investee.

On acquisition, the assets and liabilities of a subsidiary are measured at their fair values at the date of acquisition. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognized. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intercompany transactions and balances between Group entities are eliminated on consolidation.

3.2.5. 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 consolidated income statement for the year.

On consolidation, the assets and liabilities of the Group's non-GBP operations are translated at the exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognized in OCI and transferred to the Group's translation reserve. On disposal of an entity, such cumulative translation differences are recognized as a gain or loss in the year in which the disposal takes place.

3.2.6. Revenue recognition

Revenue comprises the value for the rendering of services in the ordinary course of the Group's activities. The Group 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 Group recognizes revenue as the result of its service level arrangements with affiliated companies.

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.

3.2.7. Operating expenses

Operating expenses are calculated at cost and are recognized in the period to which they relate. Depreciation charges on intangible tangible assets are based on cost and are calculated by the straight-line method over the estimated lives of the assets concerned.

3.2.8. Retirement benefit costs

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

3.2.9. Taxation

Income tax expense represents the sum of current tax payable and deferred tax.

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated 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 Group'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 consolidated 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 Group 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 Group 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

Machinery and equipment are stated at cost less accumulated depreciation and any accumulated impairment.

If an item of property and equipment is comprised of 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:

Machinery and equipment	3-4 years
-------------------------	-----------

Tangible assets with a purchase price of less than the equivalent of USD 500 are expensed in the year of purchase. Any assets with a purchase price between the equivalent of USD 500 and USD 2,500 are depreciated within the year of purchase.

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. Trade receivables

Trade receivables are measured at amortized cost using the effective interest method, less any impairment.

3.2.12. Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term deposits. Cash and cash equivalents are measured at amortized cost using the effective interest method, less any impairment.

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.

3.2.13. Trade payables

Trade payables are measured at amortized cost using the effective interest method, less any impairment. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

3.2.14. Provisions

Provisions are recognized when the Group 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.

3.2.15. 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 Group 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.

3.2.16. Consolidated 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 Group encounters various risks and constantly strives to mitigate related risks.

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

- (a) Currency risk: The risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.
- (b) Liquidity risk: The risk that obligations cannot be met due to a mismatch between the maturity profiles of assets and 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 Group does not apply hedge accounting.

Market risk

The Group's policy is to reduce market risk to an acceptable level. Market risk embodies not only the potential for loss but also the potential for gain. There has been no change to the Group's exposure to market risks and the Board and Group Risk Officer continuously reviews the manner in which it manages and measures the risk.

CITCO

Currency risk

It is the Company'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 Company 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.

	GBP GBP 000	USD GBP 000	EUR GBP 000	Total GBP 000
As at December 31, 2015:				
<i>Non-current assets</i>				
Property, plant and equipment	477	-	-	477
<i>Current assets</i>				
Current receivables from affiliated companies	-	1,119	-	1,119
Other receivables	307	-	-	307
Current tax receivable	27	-	-	27
Cash and cash equivalents	586	1,126	28	1,740
Total assets	<u>1,397</u>	<u>2,245</u>	<u>28</u>	<u>3,670</u>
<i>Non-current liabilities</i>				
Deferred tax liabilities	31	-	-	31
<i>Current liabilities</i>				
Trade payables	276	-	-	276
Other payables and accrued expenses	1,180	-	-	1,180
Current payables to affiliated companies	-	136	-	136
Provisions	176	-	-	176
Total liabilities	<u>1,663</u>	<u>136</u>	<u>-</u>	<u>1,799</u>
Net balance sheet position	<u>(266)</u>	<u>2,109</u>	<u>28</u>	<u>1,871</u>
As at December 31, 2014:				
Total assets	1,258	1,673	-	2,931
Total liabilities	809	984	-	1,793
Net balance sheet position	<u>449</u>	<u>689</u>	<u>-</u>	<u>1,138</u>

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 2015, 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.

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	Total
	GBP 000	GBP 000	GBP 000	GBP 000
As at December 31, 2015:				
<i>Current assets</i>				
Current receivables from affiliated companies	1,119	-	-	1,119
Other receivables	84	84	-	168
Cash and cash equivalents	1,740	-	-	1,740
Total assets	2,943	84	-	3,027
<i>Current liabilities</i>				
Trade payables	138	138	-	276
Other payables and accrued expenses	1,180	-	-	1,180
Current payables to affiliated companies	136	-	-	136
Total liabilities	1,454	138	-	1,592
As at December 31, 2014:				
<i>Current assets</i>				
Current receivables from affiliated companies	827	-	-	827
Other receivables	56	57	-	113
Cash and cash equivalents	1,324	-	-	1,324
Total assets	2,207	57	-	2,264
<i>Current liabilities</i>				
Trade payables	174	173	-	347
Other payables and accrued expenses	984	-	-	984
Current payables to affiliated companies	-	-	399	399
Total liabilities	1,158	173	399	1,730

4. Personnel expenses

	2015	2014
	GBP 000	GBP 000
Salaries and bonuses	4,885	4,481
Social charges and taxes	764	558
Pension expenses	398	376
Other personnel expenses	1,663	663
Total personnel expenses	<u>7,710</u>	<u>6,078</u>

The average number of full-time employees for the year was 37 (2014: 32).

5. Professional services

	2015	2014
	GBP 000	GBP 000
Fees payable to the Group's auditor for the audit of the Group's annual accounts	18	18
Other professional services	186	85
Total professional services	<u>204</u>	<u>103</u>

There were no non-audit services provided by the auditor to the Group in the year or in the previous year.

6. Depreciation

	2015	2014
	GBP 000	GBP 000
Machinery and equipment	209	177
Total depreciation	<u>209</u>	<u>177</u>

7. Other operating expenses

	2015	2014
	GBP 000	GBP 000
Bank charges	8	8
Other expenses	130	37
Total other operating expenses	<u>138</u>	<u>45</u>

8. Net finance (income)/expense

	2015	2014
	GBP 000	GBP 000
Interest expense	-	1
Foreign exchange (gain)/loss	(119)	1
Total net finance (income)/expense	<u>(119)</u>	<u>2</u>

9. Income tax expense

	2015	2014
	GBP 000	GBP 000
Current tax expense:		
Current year	125	19
Prior year	16	(10)
	141	9
Deferred tax income/(expense):		
Current year	(33)	62
Prior year	-	12
	(33)	74
Total income tax expense	108	83

Reconciliation of the effective tax rate

	<u>2015</u>		<u>2014</u>	
	%	GBP 000	%	GBP 000
Net profit before tax		<u>460</u>		<u>401</u>
Income tax using the domestic corporate income tax rate of	20.3	93	21.5	86
Effect of the change in the rate	–	(1)	–	(3)
Impact of prior years	–	16	–	–
Income tax expense	20.3	<u>108</u>	21.5	<u>83</u>

Recognized deferred tax (liabilities)

	2015	2014
	GBP 000	GBP 000
Property, plant and equipment	(31)	(63)
Total deferred tax (liabilities)	(31)	(63)

10. Property, plant and equipment

	Machinery and equipment GBP 000
Cost:	
As at January 1, 2015	798
Additions	131
As at December 31, 2015	<u>929</u>
Accumulated depreciation:	
As at January 1, 2015	243
Depreciation	209
As at December 31, 2015	<u>452</u>
Net carrying amount:	
As at December 31, 2015	<u>477</u>

	Machinery and equipment GBP 000
Cost:	
As at January 1, 2014	80
Additions	718
As at December 31, 2014	<u>798</u>
Accumulated depreciation:	
As at January 1, 2014	66
Depreciation	177
As at December 31, 2014	<u>243</u>
Net carrying amount:	
As at December 31, 2014	<u>555</u>

11. Other receivables

	2015 GBP 000	2014 GBP 000
VAT receivable	168	113
Prepaid expenses	139	65
As at December 31,	<u>307</u>	<u>178</u>

12. Cash and cash equivalents

	2015 GBP 000	2014 GBP 000
Current accounts with other banks	395	349
Bank balances with affiliated companies	1,345	975
As at December 31,	<u>1,740</u>	<u>1,324</u>

Bank balances earn interest at the respective short-term deposit market rates.

13. Share capital

Authorized shares:

	2015	2014
	Number of shares	Number of shares
As at January 1,	597	–
Issuance of ordinary shares at a par value of GBP 1 each	378	597
As at December 31,	975	597

During 2015, a total of 377,894 (2014: 596,999) ordinary shares of GBP 1.00 each were allotted and issued by the Company. No consideration was received as the shares were issued in exchange for the discharge of a credit facility with the shareholder.

14. Other payables and accrued expenses

	2015	2014
	GBP 000	GBP 000
Accrued expenses	810	681
Taxes and social security contributions payable	273	215
Other payables	97	88
As at December 31,	1,180	984

15. Provisions

	Restructuring GBP 000
As at January 1, 2015	–
Provisions made during the year	176
As at December 31, 2015	176
Current	176
Non-current	–
As at December 31, 2015	176

16. Operating lease arrangements

Lease payments under operating leases recognized in the consolidated income statement for the period ended December 31, 2015 amount to GBP 549,492 (2014: GBP 329,325).

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

	2015	2014
	GBP 000	GBP 000
Within one year	446	329
In the second to fifth years inclusive	1,369	–
After five years	422	–
As at December 31,	2,237	329

Operating lease payments includes rentals payable by the Group for its office and residential properties under non cancellable leases expiring within 7 years. On renewal the term of the lease are negotiated.

17. Related party transactions

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

	<u>2015</u>	<u>2014</u>
	GBP 000	GBP 000
Receivables	1,119	827
Payables	(136)	(399)
Net balance receivable	<u>983</u>	<u>428</u>

The following services were provided by the Group to affiliated companies:

	<u>2015</u>	<u>2014</u>
	GBP 000	GBP 000
Services rendered to The Citco Group Limited	<u>10,140</u>	<u>8,407</u>

The following services were provided by affiliated companies to the Group:

	<u>2015</u>	<u>2014</u>
	GBP 000	GBP 000
Office and residential rental charges	<u>468</u>	<u>329</u>

18. Directors' remuneration

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

	<u>2015</u>	<u>2014</u>
	GBP 000	GBP 000
Salary and fringe benefits	<u>1,150</u>	<u>1,569</u>

The total of salary and fringe benefits payable to the highest paid director was GBP 1,014,000 (2014: GBP 996,000).

The remuneration of the executive directors is decided by the shareholder.

19. Events after the reporting date

Subsequent to December 31, 2015, the directors proposed a dividend of USD 800,000 (GBP: 564,912), this was approved by the shareholders on March 16, 2016 and paid on March 24, 2016.

Signing of the financial statements

On June 14, 2016 the Board of Directors authorized the consolidated financial statements for issuance.

Executive directors:

Glenn Hassett

Chief Financial Officer

Nicholas Braham

Legal Counsel

CITCO

Section 4
Other Information

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 year is decided upon the annual General Meeting of shareholder.

Proposed appropriation of result for the financial year 2015

Awaiting the decision by the shareholder, the net result for the year has been included in retained earnings.

CITCO

Section 5

Citco Advisors International Limited
Company Financial Statements

Citco Advisors International Limited Abbreviated income statement for the year ended December 31,

	Note	2015 GBP 000	2014 GBP 000
Revenue		10,140	8,407
Operating expenses	4-7	(9,799)	(8,003)
Net finance income/(expense)	8	119	(2)
Profit for the year before tax		460	402
Income tax expense	9	(108)	(83)
Profit for the year after tax		352	319
Attributable to:			
Shareholder of the Company		352	319
Profit for the year		352	319

There has been no Comprehensive income other than the profit for the current and prior year and, accordingly, no statement of Comprehensive income is presented.

Where applicable, the accounting policies of the Company are the same as those of the Group on pages 16 to 21. The notes identified alphabetically on page 39 are an integral part of these separate financial statements. Where the same items appear in the Group financial statements, reference is made to the notes (identified numerically) on pages 25 to 29.

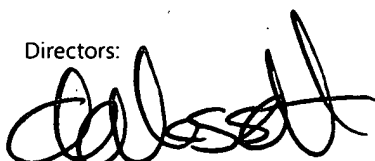
Citco Advisors International Limited statement of financial position for the year ended December 31,

	Note	2015 GBP 000	2014 GBP 000
Assets			
Non-current assets			
Property, plant and equipment	10	477	555
Investments in subsidiary	A	4	—
		481	555
Current assets			
Current receivables affiliated companies		1,126	827
Other receivables and accrued income	11	307	178
Current tax receivable		27	47
Cash and cash equivalents	B	1,726	1,324
		3,186	2,376
Total assets		3,667	2,931
Equity and liabilities			
Share capital	13	975	597
Retained earnings		893	541
Total equity attributable to shareholder of the Company		1,868	1,138
Non-current liabilities			
Deferred tax liabilities		31	63
		31	63
Current liabilities			
Trade payables		276	347
Other payables and accrued expenses	14	1,180	984
Current payable affiliated companies		136	399
Provisions	15	176	—
		1,768	1,730
Total equity and liabilities		3,667	2,931

Where applicable, the accounting policies of the Company are the same as those of the Group on pages 16 to 21. The notes identified alphabetically on page 39 are an integral part of these separate financial statements. Where the same items appear in the Group financial statements, reference is made to the notes (identified numerically) on pages 25 to 29.

The financial statements of Citco Advisors International Limited (Registered number 7904837) were approved by the Board of Directors and authorized for issuance on June 14, 2016 and are signed on its behalf by:

Directors:



G. Hassett



N. Braham

CITCO

Citco Advisors International Limited statement of changes in equity for the year ended December 31, 2015

	Issued ordinary shares GBP 000	Retained earnings GBP 000	Total GBP 000
Balance as at January 1, 2015	597	541	1,138
Net profit for the year	-	352	352
Other comprehensive income:	-	-	-
Total comprehensive income	-	352	352
Issuance of shares	378	-	378
Total transactions with the shareholder (Excluding dividends)	378	-	378
Total equity attributable to shareholders of the Company as at December 31, 2015	975	893	1,868

The Company did not declare or pay a dividend during the year.

Where applicable, the accounting policies of the Company are the same as those of the Group on pages 16 to 21. The notes identified alphabetically on page 39 are an integral part of these separate financial statements. Where the same items appear in the Group financial statements, reference is made to the notes (identified numerically) on pages 25 to 29.

CITCO

Citco Advisors International Limited statement of changes in equity for the period ended December 31, 2014

	Issued ordinary shares GBP 000	Retained earnings GBP 000	Total GBP 000
Balance as at January 1, 2014	–	223	223
Net profit for the year	–	318	318
Other comprehensive income	–	–	–
Total comprehensive income	–	318	318
Issuance of shares	597	–	597
Total transactions with the shareholder (Excluding dividends)	597	–	597
Total equity attributable to shareholders of the Company as at December 31, 2014	597	541	1,138

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

Where applicable, the accounting policies of the Company are the same as those of the Group on pages 16 to 21. The notes identified alphabetically on page 39 are an integral part of these separate financial statements. Where the same items appear in the Group financial statements, reference is made to the notes (identified numerically) on pages 25 to 29.

Citco Advisors International Limited statement of cash flows under indirect method for the year ended December 31,

	Note	2015 GBP 000	2014 GBP 000
Cash flows from operating activities:			
Net profit for the year		352	318
Adjusted for:			
• Income tax expense		108	83
• Depreciation	6	209	177
• Net finance (income)/expense	8	(119)	2
		550	580
Movement in working capital:			
• (Increase) in receivables from affiliated companies		(299)	(261)
• (Increase) in other receivables		(129)	(88)
• (Decrease)/increase in trade payables		(71)	332
• Increase in other payables and accrued expenses		196	773
• (Decrease)/increase in current payable to affiliated companies		(263)	99
• Increase in provisions		176	–
• Foreign exchange gains/(losses)		119	(1)
Cash generated by operations		279	1,434
Interest paid		–	(1)
Income taxes paid		(120)	(109)
Net cash flow generated by operating activities		159	1,324
Cash flows from investing activities:			
Additions to property, plant and equipment	10	(131)	(718)
Net cash flow (used in) investing activities		(131)	(718)
Cash flows from financing activities:			
Issuance of shares		378	597
Investment in subsidiary		(4)	–
Net cash flow generated by financing activities		374	597
Net increase in cash and cash equivalents		402	1,203
Cash and cash equivalents:			
Cash and cash equivalents as at January 1	B	1,324	121
Cash and cash equivalents as at December 31	B	1,726	1,324
Increase in cash and cash equivalents		402	1,203

Where applicable, the accounting policies of the Company are the same as those of the Group on pages 16 to 21. The notes identified alphabetically on page 39 are an integral part of these separate financial statements. Where the same items appear in the Group financial statements, reference is made to the notes (identified numerically) on pages 25 to 29.

Citco Advisors International Limited Notes to the financial statements

A. Investments in subsidiary

	<u>2015</u>	<u>2014</u>
	<u>GBP 000</u>	<u>GBP 000</u>
Balance as at January 1	-	-
Investment in New Time Travel Company S. à r. l.	<u>4</u>	<u>-</u>
Balance as at December 31	<u><u>4</u></u>	<u><u>-</u></u>

At December 31, 2015, the Company has held 60% of the ordinary shares in one subsidiary, New Time Travel Company S. à r. l., incorporated in France.

B. Cash and cash equivalents

	<u>2015</u>	<u>2014</u>
	<u>GBP 000</u>	<u>GBP 000</u>
Current accounts with other banks	<u>381</u>	<u>349</u>
Bank balances with affiliated companies	<u>1,345</u>	<u>975</u>
Balance as at December 31	<u><u>1,726</u></u>	<u><u>1,324</u></u>

C. Risk management

Risk management in the context of the Company and the Group is considered in the Group consolidated financial statements, note 3.3

D. Related parties transactions

Details of the Company's related party transactions are given in the Group consolidated financial statements, note 17.

E. Subsequent events

Details of the Company's subsequent events are given in the Group consolidated financial statements, note 19.

CITCO

Section 6

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 year ended 31 December 2015 which comprise the Consolidated and Company Income Statement, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statement of Cash Flows and the related notes 1 to 19. 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 group'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 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and parent company's affairs as at 31 December 2015 and the Group's and parent company's profit for the year 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 Strategic Report and the Directors' Report for the financial year 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.



Theo Brennand (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

London, United Kingdom

June 14, 2016

CITCO