

# **Actis UK Advisers Limited**

## **DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**REGISTERED NUMBER: 8494131**

**TUESDAY**



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## **Directors' Report**

The directors present their report and financial statements of Actis UK Advisers Limited (the "Company") for the year ended 31 December 2016.

### **Principal activity**

The principal activity of the Company is to provide advisory services to the Investment Funds through its manager or general partner. The Company is a subsidiary of Actis International Limited. The Company was incorporated on 18 April 2013, with share capital of 100,000 \$1 ordinary shares issued at par. Its registered office is 2 More London Riverside, London, SE1 2JT, United Kingdom.

### **Business review**

The Company's intermediate holding entity is Actis LLP. There is a proactive approach to risk management and a framework has been designed to manage the risks of the Company's business and to ensure that the Members and Boards of Directors at both Actis LLP and the Company, respectively, have in place appropriate risk management practices. The risk management objectives have been disclosed within the Report of the Members and financial statements of Actis LLP for the year ended 31 December 2016.

### **Results and dividends**

The results for the year ended 31 December 2016 are shown on page 5. The total comprehensive income for the year after taxation amounted to \$1,554,134 (2015: \$1,390,803). The directors of the company have recommended paying an interim dividend out of current year's income of \$1,925,000 (2015: \$1,250,000).

### **Key Performance Indicators**

Given the straight forward nature of the business, the Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

### **Going Concern**

The Company has adequate financial resources and as a consequence, the Directors believe that the Company is well placed to manage its business risks successfully. The Directors believe that the Company has adequate financial resources to continue in operational existence for the foreseeable future and at least 12 months from the date of the report and financial statements. Accordingly, they continue to adopt the going concern basis in preparing the Directors' report and financial statements.

### **Provision of information to auditors**

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the Auditors in connection with preparing their report, of which the Auditors are unaware. Having made enquiries of fellow Directors and the Auditors, each Director has taken all the steps that he or she is obliged to take as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Auditors are aware of that information.

### **Auditor**

Ernst & Young were deemed to have been reappointed as auditors of the Company under Section 487(2) of the Companies Act 2006.

### **Directors**

The Directors who served during the year and to the date of this report were:

Frederick Clive Rodgers

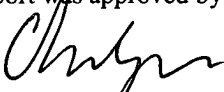
Patricia Paik Wan Lamb (Appointed on 16 August 2016)

Paul Owers (Resigned on 16 August 2016)

### **Directors' interests**

The Directors have no direct interest in the shares of the Company.

This report was approved by the Board of Directors on 21 April 2017 and signed on its behalf by:

  
.....  
**Frederick Clive Rodgers**  
**Director**

## **Directors' Responsibilities Statement**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable UK 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 ("FRS 102"). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent Auditors' Report to the Members of Actis UK Advisers Limited**

We have audited the financial statements of Actis UK Advisers Limited for the year ended 31 December 2016 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Directors and Auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report has been prepared in accordance with applicable legal requirements

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

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

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

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



Ashley Coups (Senior Statutory Auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
Dated: 21 April 2017

## Statement of Income and Retained Earnings

*For the year ended 31 December 2016*

	<i>Notes</i>	<b>Year Ended 31 December 2016 \$</b>	<b>Year Ended 31 December 2015 \$</b>
Income	<i>1</i>	<b>51,260,254</b>	56,717,467
Administrative expenses		<b>(49,779,595)</b>	(54,981,198)
<b>Operating profit</b>	<i>2</i>	<b>1,480,659</b>	1,736,269
Other interest receivable and other income	<i>3</i>	<b>25,167</b>	4,007
<b>Profit from ordinary activities before taxation</b>		<b>1,505,826</b>	1,740,276
Taxation	<i>6</i>	<b>48,308</b>	(349,473)
<b>Total comprehensive income for the year</b>		<b>1,554,134</b>	1,390,803
<b>Retained earnings at 1 January</b>		<b>1,186,184</b>	1,045,381
Dividend paid		<b>(1,925,000)</b>	(1,250,000)
<b>Retained earnings at 31 December</b>		<b>815,318</b>	1,186,184

All amounts relate to continuing operations.

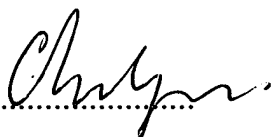
The notes on pages 7 to 10 form part of these financial statements.

## Statement of Financial Position

*As at 31 December 2016*

	<i>Notes</i>	<b>31 December 2016</b>	31 December 2015
		\$	\$
<b>Current assets</b>			
Debtors	7	6,396,943	8,925,221
Cash at bank and short term deposits		2,033,429	2,694,795
		<u>8,430,372</u>	<u>11,620,016</u>
<b>Creditors: amounts falling due within one year</b>	8	<b>(7,515,054)</b>	<b>(10,333,832)</b>
<b>Net assets</b>		<u><b>915,318</b></u>	<u><b>1,286,184</b></u>
<b>Capital and reserves</b>			
Called-up share capital	9	100,000	100,000
Retained earnings		815,318	1,186,184
<b>Equity shareholder's funds</b>		<u><b>915,318</b></u>	<u><b>1,286,184</b></u>

These financial statements were approved and authorised by the Board of Directors on 21 April 2017 and were signed on its behalf by:

.....

**Frederick Clive Rodgers**  
**Director**

The notes on pages 7 to 10 form part of these financial statements.

## Notes to the Financial Statements

For the year ended 31 December 2016

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### *Statement of Compliance*

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 31 December 2016.

#### *Basis of preparation*

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared on a going concern basis. Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates and generates revenue and incurs expenses ("the functional currency"). US Dollars is the Company's functional and presentation currency.

#### *Critical accounting judgements and key sources of estimation uncertainty*

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

**Income taxes:** The Company is subject to income taxes in the UK jurisdiction. Significant judgment is required in determining the provision for income tax. There are transactions and calculations for which the ultimate tax assessment is uncertain. The Company recognizes liabilities for tax audit issues based on estimates of whether additional taxes will be payable. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax or deferred tax provisions in the period in which such assessment is made.

**Going concern:** The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern. Accordingly, the directors continue to adopt the going concern basis in preparing these financial statements.

#### *Income*

Income represents advisory fee for services provided to the Investment Funds through its manager or general partner. Revenue is recognised on accrual basis when services have been provided, it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### *Expenses*

All expenses are recognised on an accrual basis and expensed in the relevant accounting period.

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the statement of financial position date. All gains or losses on translation are taken to the statement of income and retained earnings.

#### *Cash flow statement*

The Company has taken advantage of the exemption under section 1.12 of Financial Reporting Standard 102 from the requirement to prepare a cash flow statement, on the basis that it is a member of Actis LLP group ("Group") where parent of that group prepares publicly available consolidated financial statements.



## **Notes to the Financial Statements (continued)**

### **1 Accounting policies (continued)**

#### ***Related party transactions***

The Company has taken advantage of the exemption under section of 33.1A of Financial Reporting Standard 102 "Related Party Disclosures" not to disclose details of transactions with other group entities that are wholly owned within the group.

#### ***Taxation***

Corporation tax is provided on taxable profits at the current rate.

Deferred taxation assets and liabilities arise from timing differences between the recognition of income, gains and losses in the financial statements and their recognition for tax purposes. Deferred tax liabilities are fully recognised and deferred tax assets are recognised when it is considered more likely than not that the asset will be recoverable. Deferred tax assets and liabilities are not discounted.

#### ***Receivables***

Receivables are recorded at their original invoice amounts, less any provision. The Company considers the fair value of receivables from group undertakings same as the transaction price as all the receivables from group undertakings are payable on demand by them.

#### ***Payables***

Payables are recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The Company considers the fair value of payables to group undertakings same as the transaction price as all the payables to group undertakings are payable on demand by the Company.

### **2 Operating Profit**

Operating profit has been calculated after charging the below:

	Year ended 31 December 2016 \$	Year ended 31 December 2015 \$
Audit fee*	8,670	8,500
Foreign exchange differences	397,578	(284,128)
	<u>406,248</u>	<u>(275,628)</u>

\*Fees paid to the Company's Auditors for services other than the statutory audit of the Company are disclosed on a consolidated basis in the Group's financial statements.

### **3 Other Interest receivable and other income**

Interest receivable comprises interest earned on bank accounts and short term deposits.

### **4 Directors' remuneration**

None of the Directors received any emoluments in respect of their services to the Company for the year to 31 December 2016 (2015: Nil).

The Directors of the Company are also Directors of fellow subsidiaries and receive remuneration from Actis LLP as employees for their services to the Group. The Directors do not believe that it is practicable to apportion this amount between their services as Directors of the Company and their services as Directors of fellow subsidiaries companies however the Directors' services to the Company do not occupy a significant amount of their time.

The Company's contribution to pension schemes on behalf of Directors was Nil for the year ended 31 December 2016 (2015: Nil).

## Notes to the Financial Statements (continued)

### 5 Employees

The Company has no employees. Group employees' contracts of employment are with Actis LLP, the intermediate holding entity, and staff costs are disclosed in that Partnership's financial statements.

### 6 Taxation

#### a) Total tax charge for the year

The tax charge is analysed as follows:

	Year Ended 31 December 2016 \$	Year Ended 31 December 2015 \$
<b>Current taxation</b>		
Current year tax charge for the year	301,165	349,473
Prior year adjustment	(349,473)	-
<b>Total tax (credit)/charge</b>	<b>(48,308)</b>	<b>349,473</b>

#### b) Factors affecting the tax charge for the current year:

	Year Ended 31 December 2016 \$	Year Ended 31 December 2015 \$
<b>Total tax reconciliation</b>		
Profit on ordinary activities before tax	1,505,826	1,740,276
Tax on profit on ordinary activities at standard UK rate of 20% (2015: 20.247%)	301,165	352,354
Effect of:		
Free group relief	-	(2,881)
Adjustment in respect of previous years	(349,473)	-
<b>Total tax (credit)/charge</b>	<b>(48,308)</b>	<b>349,473</b>

#### c) Factors that may affect future tax charges:

The UK corporation tax rate will reduce from 20% to 19% on 1 April 2017. Finance Bill 2016 provides that the rate will become 17% from 1 April 2020.

### 7 Debtors

	31 December 2016 \$	31 December 2015 \$
Amounts due from Group undertakings	6,386,891	8,922,118
Accrued Interest	10,052	3,103
	<b>6,396,943</b>	<b>8,925,221</b>

## Notes to the Financial Statements (continued)

### 8 Creditors: amounts falling due within one year

	31 December 2016 \$	31 December 2015 \$
Amounts owed to Group undertakings	7,196,491	9,975,859
Corporation tax payable	301,165	349,473
Trade creditors	8,696	-
Accruals	8,702	8,500
	<u>7,515,054</u>	<u>10,333,832</u>

### 9 Allotted and issued share capital

	31 December 2016 Number	31 December 2016 \$	31 December 2015 Number	31 December 2015 \$
<i>Allotted, called-up &amp; fully paid:</i>				
Ordinary shares of \$1	100,000	100,000	100,000	100,000
	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>

### 10 Related party transactions

The following amounts have been included in the financial statements in respect of transactions with Actis Assessoria Investimento Ltda which is not wholly owned entity within the group.

	31 December 2016 \$	31 December 2015 \$
<b>Statement of Income and retained earning</b>		
Administrative expenses	6,409,934	6,725,003
<b>Statement of Financial Position</b>		
Creditors	1,489,853	53,527

### 11 Ultimate parent undertaking

The Company's immediate parent undertaking is Actis International Ltd, a company incorporated in England and Wales and the ultimate parent undertaking is Savina Holdings LP, a partnership incorporated in Guernsey.

Actis LLP, a partnership incorporated in England and Wales, is an intermediate holding entity which prepares publicly available consolidated financial statements. A copy of the Report of the Members and financial statements of Actis LLP for the year ended 31 December 2016 are available at Companies House, Crown Way, Cardiff.

### 12 Events after the end of the reporting period

The Board of Directors has not received as at 21 April 2017 being the date the financial statements were approved, any information concerning significant conditions in existence at the statement of financial position date, which have not been reflected in the financial statements as presented.