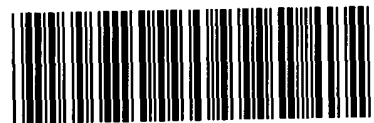


Company registration number: 09893549

**AEGILA CAPITAL MANAGEMENT LIMITED**  
**ANNUAL REPORT AND FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER**  
**2017**

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**AEGILA CAPITAL MANAGEMENT LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **COMPANY INFORMATION**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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<b>Company registration number</b>	09893549
<b>Directors</b>	Abdulla Khalifa Salman Ahmed Al Khalifa Dr Abdulrahman Saif Simone Carminati Mohammed Ahmed Abdulla Ali Giovanni Gregoratti (appointed 12 June 2017)
<b>Company Secretary</b>	T&H Secretarial Services Limited
<b>Registered office</b>	3 St James's Square London SW1Y 4JU
<b>Lawyers</b>	Trowers & Hamlin LLP 3 Bunhill Row London EC1Y 8YZ
<b>Bankers</b>	Barclays Plc Corporate and International Banking Tagus House 9 Ocean Way Southampton SO14 3TJ
<b>Accountants</b>	Blick Rotherberg Limited 16 Great Queen Street Covent Garden London WC2B 5AH
<b>Auditor</b>	Ernst & Young LLP 25 Churchill Place Canary Wharf London E14 5EY

# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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The Directors present their report and the audited financial statements for Aegila Capital Management Limited (the "Company") for the year ended 31 December 2017.

The Company was incorporated on 30 November 2015. The financial statements of the Company for the period from 30 November 2015 to 31 December 2016 (forming the comparative figures in the financial statements for the year ended 31 December 2017) are unaudited.

The Company became authorised and regulated by the Financial Conduct Authority to conduct investment related activities on 22 May 2017.

#### **Principal activity & future developments**

The Company's principal activity comprises the provision of investment advisory and corporate finance arrangement services for clients seeking to invest in UK and European real estate opportunities.

The Company's clients will initially be the Company's two shareholders ("the Joint Venture Partners") and related investment vehicles.

During 2017, the Company established its operating platform in the UK, recruiting a team of professionals and establishing its London office infrastructure. Looking ahead, the business expects to complete its first assignments and become revenue-generating during 2018.

#### **Directors**

The Directors who held office during the year and up to the date of this report were:

Abdulla Khalifa Salman Ahmed Al Khalifa, Chairman of the Board  
Dr Abdulrahman Saif, Vice Chairman of the Board  
Simone Carminati  
Mohammed Ahmed Abdulla Ali  
Giovanni Gregoratti (appointed 12 June 2017)

#### **Results and dividends**

The loss for the year amounted to £1,138,477 (2016: £409,079). The directors have not recommended the payment of any dividend (2016: £nil).

#### **Going concern**

The Directors consider the use of the going concern basis of accounting to be appropriate because they are not aware of any material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern, covering a period of at least twelve months from the date of approval of the financial statements. Whilst the Company has made a loss since incorporation, the Company has adequate liquid resources to meet its current obligations. The Joint Venture Partners have approved an authorised share capital of £20m, of which £16m remains unissued, and could be utilised to fund the Company's potential future capital needs.

# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **Disclosure of information to the auditors**

The Directors who were members of the board at the time of approving the Directors' report are listed above. Each of these Directors confirms that:

- To the best of each Director's knowledge and belief, there is no information relevant to the preparation of these financial statements of which the Company's auditor is unaware; and
- Each Director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

### **Independent auditor**

Ernst & Young LLP has indicated its willingness to continue in office and a resolution concerning its re-appointment will be proposed at the board meeting held to approve these financial statements.

### **Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The Directors have not prepared a separate Strategic Report in accordance with the exemption set out on section 414B of the Companies Act 2006 for small companies.

Signed on behalf of the Board of Directors by:



**Abdulla Khalifa Salman Ahmed Al Khalifa**  
Director and Chairman of the Board

Date: 25/04/2018

# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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

Company law requires the Directors to prepare financial statements for each financial period. Under that law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) 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 Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

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

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company 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

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AEGILA CAPITAL MANAGEMENT LIMITED**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **Opinion**

We have audited the financial statements of Aegila Capital Management Limited (the "Company") for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 18, including a summary of significant accounting policies. 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.

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2017 and of its loss 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report below. We are independent of the Company in accordance with the ethical requirements in the UK that are relevant to our audit of the financial statements, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Use of our report**

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.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AEGILA CAPITAL MANAGEMENT LIMITED**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters 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; and
- the comparative figures for the financial year for which the financial statements are prepared are unaudited, however the opening balances affecting the current period's financial statements are deemed to be free from material misstatement.

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the Company, 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.
-



# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AEGILA CAPITAL MANAGEMENT LIMITED**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **Responsibilities of directors**

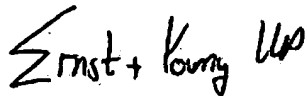
As explained more fully in the Statement of directors' responsibilities on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



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

Date: 25th April 2018

**AEGILA CAPITAL MANAGEMENT LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Year ended 31 Dec 2017	Period from 30 Nov 15 to 31 Dec 2016 (unaudited)
		£	£
Turnover		-	-
Administrative expenses	4	(1,138,477)	(409,079)
<b>Loss on ordinary activities before taxation</b>		<b>(1,138,477)</b>	<b>(409,079)</b>
Taxation	6	-	-
<b>Comprehensive loss for the year/period</b>		<b>(1,138,477)</b>	<b>(409,079)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year/period</b>		<b>(1,138,477)</b>	<b>(409,079)</b>

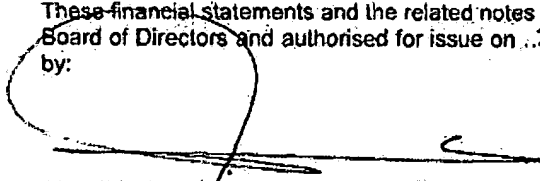
The results for the current year are derived from continuing operations.

The notes on pages 12 to 24 are an integral part of these financial statements.

**AEGILA CAPITAL MANAGEMENT LIMITED****STATEMENT OF FINANCIAL POSITION****FOR THE YEAR ENDED 31 DECEMBER 2017****REGISTERED NUMBER: 09893549**

	Notes	2017 £	2016 (unaudited) £
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	298,697	-
Intangible assets	8	4,657	-
Investments	9	9,996	-
		<u>313,350</u>	<u>-</u>
<b>Current assets</b>			
Trade and other receivables	10	1,121,865	1,001,430
Cash and cash equivalents		1,627,937	3,000,000
<b>Total current assets</b>		<u>2,749,802</u>	<u>4,001,430</u>
<b>Total assets</b>		<u>3,063,152</u>	<u>4,001,430</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	610,708	410,509
<b>Total liabilities</b>		<u>610,708</u>	<u>410,509</u>
<b>Equity</b>			
Share capital	12	4,000,000	4,000,000
Retained earnings		(1,547,556)	(409,079)
<b>Total equity</b>		<u>2,452,444</u>	<u>3,590,921</u>
<b>Total equity and liabilities</b>		<u>3,063,152</u>	<u>4,001,430</u>

These financial statements and the related notes 1 to 18 on pages 12 to 24 were approved by the Board of Directors and authorised for issue on 25/04/2018 and are signed on their behalf by:

  
**Abdulla Khalifa Salman Ahmed Al Khalifa**  
Director and Chairman of the Board

Date: 25/04/2018

The notes on pages 12 to 24 are an integral part of these financial statements.

**AEGILA CAPITAL MANAGEMENT LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Share capital £	Retained earnings £	Total equity £
<b>Balance at 30 November 2015 (unaudited)</b>	-	-	-
Issue of share capital	4,000,000	-	4,000,000
Total comprehensive loss for the period	-	(409,079)	(409,079)
<b>Balance at 31 December 2016 (unaudited)</b>	<u>4,000,000</u>	<u>(409,079)</u>	<u>3,590,921</u>
Total comprehensive loss for the year	-	(1,138,477)	(1,138,477)
<b>Balance at 31 December 2017</b>	<u>4,000,000</u>	<u>(1,547,556)</u>	<u>2,452,444</u>

The notes on pages 12 to 24 are an integral part of these financial statements.

**AEGILA CAPITAL MANAGEMENT LIMITED****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 (unaudited) £
Net cash outflow from operating activities	13	(1,024,403)	-
Cash flows from investing activities			
Acquisition of tangible fixed assets		(329,106)	-
Acquisition of intangible fixed assets		(8,558)	-
Acquisition of investments		(9,996)	-
Net cash used in investing activities		(347,660)	-
Cash flows from financing activities			
Issue of share capital		-	3,000,000
Net cash generated from financing activities		-	3,000,000
Net (decrease)/increase in cash and cash equivalents		(1,372,063)	3,000,000
Cash and cash equivalents at 1 January		3,000,000	-
Cash and cash equivalents at 31 December		<u>1,627,937</u>	<u>3,000,000</u>

The notes on pages 12 to 24 are an integral part of these financial statements.

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# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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#### **1. General Information**

Aegila Capital Management Limited (the "Company") is a private company limited by shares incorporated and domiciled in England and Wales. The address of its registered office is 3 St James's Square, London, SW1Y 4JU. It was incorporated on 30 November 2015.

The Company is registered and authorised by the Financial Conduct Authority (the "FCA") to provide investment advisory and arranging services.

#### **2. Summary of significant accounting policies**

##### **2.1 Statement of compliance**

These financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

##### **2.2 Basis of presentation**

The financial statements have been prepared on a going concern basis and under the historical cost convention.

The preparation of financial statements in conformity with the adopted IFRS, defined above, requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

Any changes to assumptions may have a significant impact on the financial statements for the period over which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the financial statements, therefore, present its financial position and results fairly.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The financial statements of the Company for the period ended 31 December 2016 (forming the comparative figures in the financial statements for the year ended 31 December 2017) are unaudited.

The Company was, at the end of the year, subject to the small companies regime and in accordance with Section 399 of the Companies Act 2006, is not required to produce consolidated accounts.

##### **Standards, amendments and interpretations effective on or after 1 January 2017**

There are no standards, amendments and interpretations, which became effective for the first time for the financial period beginning on or after 1 January 2017 that would be expected to have a material impact on the financial statements of the Company.

# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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#### **2.2 Basis of presentation (continued)**

##### **Early adoption of standards**

The Company did not adopt any new or amended standards in 2017, described below, that have been issued by the IASB but that are yet to become effective.

##### **IFRS 9 Financial Instruments**

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required but comparative information is not compulsory. The adoption of IFRS 9 is unlikely to have a material effect on the classification and measurement of the Company's financial assets or financial liabilities.

##### **IFRS 15 Revenue from Contracts with Customers**

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Company will adopt IFRS 15 on the required effective date and does not expect the adoption to have a material impact on its financial statements and related disclosures.

##### **IFRS 16 Leases**

IFRS 16 is effective for annual periods beginning on or after 1 January 2019. IFRS 16 requires lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs. Early application is permitted, but not before an entity applies IFRS 15. The Company is currently assessing the impact of IFRS 16 and plans to adopt the new standard on the required effective date.

##### **Capital management**

The Company adopts a capital management policy that aims to ensure that the Company's capital balance is sufficient at all times to support its business operations and regulatory capital requirements. Capital is defined as the Company's equity balance and retained earnings.

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## **AEGILA CAPITAL MANAGEMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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##### **2.2 Basis of preparation (continued)**

###### **Capital management (continued)**

The Company achieves this objective by regularly monitoring its capital balance in consideration of current economic conditions and the minimum capital requirements imposed by the FCA. If forecasted developments highlight increased capital needs, the Company may choose to request an additional capital infusion from its shareholders.

##### **2.3 Functional and presentational currency**

The financial statements are presented in pound sterling, which is the currency of the primary economic environment in which the Company operates (the functional currency).

##### **2.4 Foreign currency translation**

Foreign currency transactions that are transactions denominated, or that requires settlement, in a foreign currency are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the relevant transactions.

Monetary items denominated in a foreign currency are translated with the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

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

##### **2.5 Expenses**

Expenses incurred are recognised on an accruals basis.

##### **2.6 Trade and other receivables**

Trade and other receivables are measured at fair value on initial recognition being equal to the amount expected to be received by the Company on settlement of the asset. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivable. The amount of the provision is the difference between the original carrying amount and the recoverable amount and this difference is recognised in the Statement of comprehensive income.

##### **2.7 Cash and cash equivalents**

Cash and cash equivalents comprise balances with less than three months' maturity, including cash in hand, deposits held at call with bank and other short-term highly liquid investments with original maturities of three months or less.



# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **2.8 Trade and other payables**

Trade and other payables are recognised at fair value on initial recognition which equates to the amount expected to be required to settle the obligation on behalf of the Company. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

### **2.9 Operating leases**

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight line accruals basis over the term of the lease.

### **2.10 Corporate tax**

#### **Current income tax**

The current income tax charge is calculated on the basis of the applicable tax law in the jurisdiction in which taxable profit is generated by the Company's activities. It is recognised as an expense for the year except to the extent that such taxable profit is charged or credited in other comprehensive income or directly to equity. In these circumstances, current tax is charged or credited to other comprehensive income or to equity.

Where tax losses can be relieved only by being carried forward and applied against taxable profits of future periods, a deductible temporary difference arises. Those losses carried forward are recognised as deferred tax in the statement of financial position.

#### **Deferred tax**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the statement of the financial position and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

The tax effects of carrying forward unused losses or unused tax credits are recognised as an asset to the extent that it is probable that future taxable profits will be available against which these losses can be utilised.

### **2.11 Property, plant and equipment**

All property, plant and equipment are recognised initially at cost, being its purchase price as well as any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended. Subsequent to initial recognition they are measured at historical cost less accumulated depreciation and any accumulated impairment losses.

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## **AEGILA CAPITAL MANAGEMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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##### **2.11 Property, plant and equipment (continued)**

Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost of each asset to their residual values over their expected useful lives, as follows:

- Leasehold improvements – over the lease term
- Fixtures & fittings – straight line over four years
- Computer equipment – straight line over three years

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each year end.

##### **2.12 Intangible assets**

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of one to five years.

##### **2.13 Investments**

Investments in subsidiaries are measured at cost less accumulated impairment. Any impairment is recognised in the Statement of Comprehensive Income in the year that it arrives.

#### **3. Critical accounting estimates and judgements**

The Company's financial statements are influenced by accounting policies, assumptions, estimates and management's judgement, which necessarily have to be made in the course of preparation of the financial statements. The key factors concerning future and other key sources of estimation uncertainty or accounting judgement at the end of year are discussed below.

##### **Property, plant and equipment**

Expected useful lives for property, plant and equipment are determined based on the number of years an asset is considered useable before its value is fully depreciated. The expected and actual useful lives could be different and impact the depreciation and/or impairment loss recognised in the Statement of Comprehensive Income.

##### **Accrued expenses**

Accrued expenses represent expenses that have been incurred during the year but that have not yet been invoiced by the counterparty at the end of the year. Accrued and actual expenses could be different and impact the administrative expenses recognised in the Statement of Comprehensive Income.

**AEGILA CAPITAL MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**4 Administrative expenses**

Administrative expenses include:

	Year ended 31 Dec 2017	Period 30 Nov 2015 to 31 Dec 2016 (unaudited)
	£	£
Auditor's remuneration		
- Fees payable for the audit of the financial statements	17,000	-
Depreciation charge	30,409	-
Amortisation charge	3,901	-
(Gain)/loss on foreign currency translation	(36,166)	51,508
Operating lease rentals	<u>151,312</u>	<u>3,736</u>

The auditor did not receive any remuneration in respect of non-audit services during the period (2016: £nil).

**5 Directors and employees**

The Company had an average of 3 (2016: nil) employees during the year.

The aggregate payroll costs of the above employees were:

	Year ended 31 Dec 2017	Period 30 Nov 2015 to 31 Dec 2016 (unaudited)
	£	£
Wages and salaries	481,471	-
Social security costs	59,972	-
Pension contributions	36,191	-
	<u>577,634</u>	<u>-</u>

The average number of Directors during the period was 5 (2016: 4).

During the year, retirement benefits were accruing to 1 director (2016: nil) in respect of defined contribution pension schemes.

Directors considered key management personnel of the Company, received £326,116 (2016: unaudited: £nil) in remuneration in respect of services provided to the Company. Included within this figure is £28,048 (2016: unaudited: £nil) of pension scheme contributions.

# AEGILA CAPITAL MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

#### 5 Directors and employees (continued)

The remuneration of the remaining Directors of the Company is borne by the Company's shareholders and has not been recharged to the Company. The costs associated with the services that the Directors provide to the Company are considered to represent a small proportion of the overall responsibilities performed by these Directors and, accordingly, it is not considered feasible to allocate a proportion of each Director's overall remuneration to the Company.

#### 6 Taxation

##### Tax charge for the year/period

	Year ended 31 Dec 2017	Period 30 Nov 2015 to 31 Dec 2016 (unaudited)
	£	£
<b>Current tax</b>		
Current year/period	-	-
Adjustment in respect of prior years	-	-
<b>Total current tax</b>	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(180,572)	(56,228)
Impairment of deferred tax asset	180,572	56,228
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Total tax charge for the year/period</b>	<u>-</u>	<u>-</u>

##### Reconciliation of current tax expense

	Year ended 31 Dec 2017	Period 30 Nov 2015 to 31 Dec 2016 (unaudited)
	£	£
Loss on ordinary activities before tax	(1,138,477)	(409,079)
Loss on ordinary activities multiplied by standard rate of corporate tax in the UK at 19.25% for 2017 (20% for 2016)	(219,157)	(81,816)
Effects of:		
Disallowed expenses	13,563	15,665
Permanent timing differences	1,122	-
Unrelieved tax losses carried forward	204,472	66,151
	<u>-</u>	<u>-</u>

# AEGILA CAPITAL MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

#### 6 Taxation (continued)

##### Deferred tax asset

	Year ended 31 Dec 2017	Period 30 Nov 2015 to 31 Dec 2016 (unaudited)
	£	£
Fixed asset timing differences	(30,888)	-
Other timing differences	856	-
Unrelieved losses	267,032	56,228
Net deferred tax asset	236,800	56,228
Impairment of deferred tax asset	(236,800)	(56,228)
	-	-

##### Reconciliation of deferred tax asset

	Year ended 31 Dec 2017	Period 30 Nov 2015 to 31 Dec 2016 (unaudited)
	£	£
Balance at beginning of year/period	-	-
Unutilised losses	210,804	56,228
Net temporary timing differences	(30,232)	-
Impairment of deferred tax asset	(180,572)	(56,228)
Balance at end of year/period	-	-

The Company has trading losses of £1,570,777 (2016: £330,752) on which no deferred tax has been provided. The losses are available indefinitely for use against future profits of the Company. No deferred tax has been provided due to uncertainty of timing and quantum of future profits.

The UK Government legislated in the Finance (No.2) Act 2016 which received royal assent on 18 November 2016 to reduce the standard rate of UK corporation tax to 19% from 1 April 2017. In the Finance Act 2016, which received royal assent on 15 September 2016, the UK Government announced a further reduction in the rate of UK corporation tax to 17% from 1 April 2020. The reduced rates of UK corporation tax will affect future cash tax payments to be made by the Company and have been taken into account in calculating deferred tax.

**AEGILA CAPITAL MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**7 Property, plant and equipment**

	Leasehold improvements	Fixtures & fittings £	Computer equipment £	Total £
<b>Cost</b>				
As at 1 January 2017 (unaudited)	-	-	-	-
Additions	218,671	78,518	31,917	329,106
<b>As at 31 December 2017</b>	<b>218,671</b>	<b>78,518</b>	<b>31,917</b>	<b>329,106</b>
<b>Depreciation</b>				
As at 1 January 2017 (unaudited)	-	-	-	-
Charge for the year	14,475	9,975	5,959	30,409
<b>As at 31 December 2017</b>	<b>14,475</b>	<b>9,975</b>	<b>5,959</b>	<b>30,409</b>
<b>Net book value</b>				
As at 31 December 2017	204,196	68,543	25,958	298,697
As at 31 December 2016 (unaudited)	-	-	-	-

**8 Intangible assets**

	Software & licenses £	Total £
<b>Cost</b>		
As at 1 January 2017 (unaudited)	-	-
Additions	8,558	8,558
<b>As at 31 December 2017</b>	<b>8,558</b>	<b>8,558</b>
<b>Amortisation</b>		
As at 1 January 2017 (unaudited)	-	-
Charge for the year	3,901	3,901
<b>As at 31 December 2017</b>	<b>3,901</b>	<b>3,901</b>
<b>Net book value</b>		
As at 31 December 2017	4,657	4,657
As at 31 December 2016 (unaudited)	-	-

**AEGILA CAPITAL MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**9 Investments in subsidiaries**

	£
At 1 January 2017 (unaudited)	-
Additions	9,996
<b>At 31 December 2017</b>	<b>9,996</b>

Investments in subsidiaries are measured at cost less accumulated impairment.

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Class of shares	Proportion of ownership interest	Principal place of business
Evoque Partners Jersey Limited	Partnership interest	99.96%	St Helier, Jersey

Name	Capital and reserves £	Profit/loss for the year £
Evoque Partners Jersey Limited Partnership	£10,000	NIL

Evoque Partners Jersey Limited was established on 21 December 2017 and has been set up to facilitate real estate investments. The subsidiary has not traded since its incorporation.

**10 Trade and other receivables**

	31 Dec 2017 £	31 Dec 2016 (unaudited) £
VAT recoverable	25,223	-
Other debtors	17,101	650
Prepayments	79,541	780
Called up share capital unpaid	1,000,000	1,000,000
	<b>1,121,865</b>	<b>1,001,430</b>

The carrying amount of the balances shown above equate to the fair value. No balances are considered to be past due or impaired (2016 unaudited: none).

# **AEGILA CAPITAL MANAGEMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **11 Trade and other payables**

	<b>31 Dec 2017</b>	<b>31 Dec 2016 (unaudited)</b>
	<b>£</b>	<b>£</b>
Trade payables	<b>34,805</b>	<b>390</b>
Deferred rent	<b>60,842</b>	<b>-</b>
Other creditors	<b>54,077</b>	<b>13,745</b>
Social security and other taxes	<b>31,227</b>	<b>-</b>
Amounts due to related parties	<b>429,757</b>	<b>396,374</b>
	<b><u>610,708</u></b>	<b><u>410,509</u></b>

The amounts shown in the table above equate to fair value.

#### **12 Share capital**

	<b>31 Dec 2017</b>	<b>31 Dec 2016 (unaudited)</b>
	<b>£</b>	<b>£</b>
<b>Authorised share capital:</b>		
10,000,000 Ordinary (A) shares of £1 each	<b>10,000,000</b>	<b>10,000,000</b>
10,000,000 Ordinary (B) shares of £1 each	<b>10,000,000</b>	<b>10,000,000</b>
	<b><u>20,000,000</u></b>	<b><u>20,000,000</u></b>
<b>Allotted, called up and fully paid:</b>		
1,500,000 Ordinary (A) shares of £1 each	<b>1,500,000</b>	<b>1,500,000</b>
1,500,000 Ordinary (B) shares of £1 each	<b>1,500,000</b>	<b>1,500,000</b>
	<b><u>3,000,000</u></b>	<b><u>3,000,000</u></b>
<b>Allotted:</b>		
500,000 Ordinary (A) shares of £1 each	<b>500,000</b>	<b>500,000</b>
500,000 Ordinary (B) shares of £1 each	<b>500,000</b>	<b>500,000</b>
	<b><u>1,000,000</u></b>	<b><u>1,000,000</u></b>

Each Ordinary A and B share carries one vote. The shares rank equally in all respects and carry the right to participate in any distributions, as respects dividends and as respects return of capital on a winding up of the Company and are not redeemable.



# AEGILA CAPITAL MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 13 Cash flow from operating activities

Reconciliation of loss for the period to the net cash used in operating activities:

	Year ended 31 Dec 2017	Period from 30 Nov 2015 to 31 Dec 2016 (unaudited)
	£	£
Total comprehensive loss for the period before taxation	(1,138,477)	(409,079)
Adjustments for:		
Depreciation of tangibles	30,409	-
Amortisation of intangibles	3,901	-
Changes in working capital:		
Increase in trade and other receivables	(120,435)	(1,430)
Increase in payables and accrued expenses	200,199	410,509
Cash used in operations	<u>(1,024,403)</u>	<u>-</u>

#### 14 Financial risk management

##### Liquidity and capital risk

The Company's policy is to regularly monitor current and expected liquidity and capital requirements to ensure that it maintains sufficient cash reserves to meet its liquidity requirements in the short and longer term, as well as comply with regulatory capital adequacy requirements. The amount expected to be required to settle the Company's obligations is equivalent to the amount shown in Note 11.

##### Foreign exchange risk

Foreign currency risk is the risk that the value of financial assets or liabilities will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk as its transactions may be denominated in currencies other than British Pounds. Currency risk is managed by closely monitoring daily foreign currency movements and seeking competitive exchange rates from banks.

##### Market risk

The Company does not hold any financial assets or liabilities that are subject to changes in value due to market activity, as such the Company is not significantly exposed to market risk.

##### Credit risk

The Company's largest exposure to credit risk relates to its Called up share capital unpaid balance due from OSOOL Asset Management B.S.C(C) and BBK B.S.C, Bahrain ("the Joint Venture Partners"). The Directors are not aware of any issue which they believe is likely to impact the continued operations of the Joint Venture Partners. The Company's maximum exposure to credit risk is the amount shown in Note 10 and the balance of Cash and cash equivalents.

##### Interest rate risk

The Company's only interest bearing financial assets is the Cash and cash equivalents. It has no interest bearing financial liabilities, as such the Company is not significantly exposed to interest rate risk.

**AEGILA CAPITAL MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**15 Ultimate parent undertaking and controlling party**

In the opinion of the directors, the Company has no immediate and no ultimate controlling party.

**16 Related party transactions**

During the year BBK B.S.C, Bahrain, joint venture participant, incurred costs on behalf of the Company and provided administrative and support services to the Company totalling £16,692 (2016 (unaudited): £198,187), at the year end the total amount payable was £214,879 (2016 (unaudited): £198,187). Shares were issued to BBK B.S.C, Bahrain totalling £nil (2016 (unaudited): £2,000,000) during the year, of which £500,000 (2016 (unaudited): £500,000) was receivable at the year end.

During the year OSOOL Asset Management B.S.C(C), Bahrain, joint venture participant, incurred costs on behalf of the Company and provided administrative and support services to the Company totalling £16,692 (2016 (unaudited): £198,187), at the year end the total amount payable was £214,878 (2016 (unaudited): £198,187). Shares were issued to BBK B.S.C, Bahrain totalling £nil (2016 (unaudited): £2,000,000) during the year, of which £500,000 (2016 (unaudited): £500,000) was receivable at the year end.

**17 Operating lease commitments**

The Company has minimum lease payments under a non-cancellable operating lease falling due for payment as follows:

	<b>Land and Buildings 2017</b>	<b>Land and Buildings 2016 (unaudited)</b>
	<b>£</b>	<b>£</b>
- No later than one year	<b>137,093</b>	-
- Later than one year but not later than five years	<b>1,021,200</b>	-
- More than five years	<b>752,610</b>	-

BBK B.S.C, a Joint Venture Partner, acts as the guarantor in respect of certain of the Company's rental obligations. There is a counter indemnity agreement in place between BBK B.S.C and the Company, dated 22 May 2017.

**18 Subsequent events**

Subsequent events have been evaluated by management for the period after the period end and up until the date the financial statements were authorised for issue on 25 April 2018. No adjusting or non-adjusting events were identified which could have an impact on the financial statements of the Company.