

# **York Capital Management Europe (UK) Advisors, LLP**

## **Report and financial statements for the year ended 31 December 2016**

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### **Designated members**

York Capital Management UK Advisors Limited  
C Aurand  
C Reyntjens  
R Sofer  
A Rafiq

### **Registered office**

23 Savile Row, 4<sup>th</sup> Floor, London, W1S 2ET

### **Partnership registration number**

OC328382

### **Auditors**

BDO LLP, 55 Baker Street, London, W1U 7EU

# **York Capital Management Europe (UK) Advisors, LLP**

## **Report of the members for the year to 31 December 2016**

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The members present their report together with the financial statements for the year ended 31 December 2016.

### **Results**

The statement of comprehensive income is set out on page 6 and shows the profit for the year.

### **Principal activities**

The principal activity of York Capital Management Europe (UK) Advisors, LLP (YCM UK or the Partnership) during the year was the provision of advisory services. There have been no changes in the Partnership's activities during the year under review. The Partnership is majority owned by its managing member York Capital Management UK Advisors Limited (YCM UK Ltd), which in turn is wholly-owned by YCM Master Holdings II, LP (YCMHII).

During 2016 YCM UK provided certain investment advisory, trade execution and administrative services to York Capital Management (US) Advisors, L.P. (YCM US Advisors). YCM UK is authorised and regulated by the Financial Conduct Authority (FCA). YCM US Advisors is a U.S. subsidiary of YCMHII.

Assets under management for the underlying funds which the partnership provides advisory services, decreased from approximately US\$6.2 billion at 31 December 2015 to US\$5.2 billion at 31 December 2016.

There have been no events since the balance sheet date that materially affect the financial position of the Partnership.

### **Designated members**

The designated members during the year were:

York Capital Management UK Advisors Limited  
C Aurand  
C Reyntjens  
R Sofer  
A Rafiq

### **Pillar 3 disclosures**

Details of the pillar 3 disclosures of the limited liability partnership, required under Chapter 11 of the Financial Conduct Authority's Prudential Sourcebook for Banks, Building Societies and Investment Firms ("BIPRU") will be published at [www.duffandphelps.com/services/compliance-and-regulatory-consulting/compliance-consulting/hosted-disclosures/terms-conditions-2/disclosures/kpiid/index.html](http://www.duffandphelps.com/services/compliance-and-regulatory-consulting/compliance-consulting/hosted-disclosures/terms-conditions-2/disclosures/kpiid/index.html).

# **York Capital Management Europe (UK) Advisors, LLP**

## **Report of the members for the year ended 31 December 2016 (*continued*)**

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### **Policy on members' drawings and the subscription and repayment of members' capital**

The members' drawing policy allows each member to draw a proportion of their profit share subject to the cash requirements of the business. The profit apportioned to each member is determined by the managing member and may not be proportionate to the relevant members capital share in the partnership.

Members are permitted to make drawings in advance of the financial year end in anticipation of their profit entitlement for such financial year. If these advance drawings exceed the relevant members' distribution in respect of a financial year then such member shall have a debit distribution account and this shall reduce any net income (loss) allocation in subsequent financial years. The managing member may in their discretion service a written demand of repayment to the relevant member in which they have to make a cash repayment within ten business days of service of such written demand.

The members shall contribute such sum of capital to the limited liability partnership (if any) as shall be agreed between the members.

No member shall be required to make additional capital contributions to the limited liability partnership other than when the corporate member increases their capital contribution in accordance with the business contribution terms. Each member other than the Corporate member shall, at the written request of the managing member, make an additional capital contribution to the partnership in an amount equal to their original contribution divided by the corporate members contribution prior to the increase multiplied by the amount of the increase corporate members.

No member shall have the right, directly or indirectly, to withdraw or receive back any credit amounts outstanding on their loan account, except under the following circumstances:

1. The member has ceased to be a member and an equal amount of capital has been contributed by the remaining member; or
2. The partnership has terminated and dissolved; or
3. The partnership has ceased to be authorised to carry on regulated activities, or if they have not ceased to be so authorised, the partnership notwithstanding such payment, remain in compliance with applicable accounting and regulations requirements and if required, the FCA has consented to such repayment.

# York Capital Management Europe (UK) Advisors, LLP

## Report of the members for the year ended 31 December 2016 (*continued*)

### Members' responsibilities

The members are responsible for preparing the members' report and financial statements in accordance with applicable law and regulation.

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under these regulations the members 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 Limited Liability Partnership and of the profit or loss of the Limited Liability Partnership for that period.

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

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

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Liability Partnership's transactions, disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership, and enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditors

All the current members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Limited Liability Partnership auditors for the purposes of their audit and to establish that the auditors are aware of that information. The members are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

### Signed on behalf of the members



J Fosina

On behalf of York Capital Management UK Advisors Limited - Designated Member

Date 25 April 2017

# **York Capital Management Europe (UK) Advisors, LLP**

## **Independent auditor's report**

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### **TO THE MEMBERS OF YORK CAPITAL MANAGEMENT EUROPE (UK) ADVISORS, LLP**

We have audited the financial statements of York Capital Management Europe (UK) Advisors, LLP for the year ended 31 December 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in members' interests and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

This report is made solely to the limited liability partnership's members, as a body, in accordance with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership'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 partnership and the partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of members and auditors**

As explained more fully in the statement of members' responsibilities, the members 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

### **Opinion on other matters**

In our opinion the information given in the members' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## York Capital Management Europe (UK) Advisors, LLP

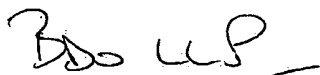
### Independent auditor's report *(continued)*

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#### 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 as applied to limited liability partnerships 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
- we have not received all the information and explanations we require for our audit.



Neil Griggs (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom

Date 25/4/17.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# **York Capital Management Europe (UK) Advisors, LLP**

## **Independent auditor's report**

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### **TO THE MEMBERS OF YORK CAPITAL MANAGEMENT EUROPE (UK) ADVISORS, LLP**

We have audited the financial statements of York Capital Management Europe (UK) Advisors, LLP for the year ended 31 December 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in members' interests and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

This report is made solely to the limited liability partnership's members, as a body, in accordance with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership'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 partnership and the partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of members and auditors**

As explained more fully in the statement of members' responsibilities, the members 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

#### **Opinion on other matters**

In our opinion the information given in the members' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# York Capital Management Europe (UK) Advisors, LLP

## Statement of comprehensive income for the year ended 31 December 2016

	Note	2016 £	2015 £
<b>Turnover and gross result</b>	3	<b>67,516,520</b>	35,162,596
Administrative expenses - before exceptional items		(15,958,093)	(12,984,006)
Exceptional items	4	-	900,205
		<hr/>	<hr/>
Total administrative expenses		(15,958,093)	(12,083,801)
		<hr/>	<hr/>
<b>Operating profit</b>	5	<b>51,558,427</b>	23,078,795
Interest receivable		2,527	2,131
		<hr/>	<hr/>
<b>Profit for financial period before members' remuneration and profit share</b>		<b>51,560,954</b>	23,080,926
Members' remuneration charged as an expense		-	(229,327)
		<hr/>	<hr/>
<b>Profit for the year available for discretionary division among members</b>		<b>51,560,954</b>	22,851,599
		<hr/>	<hr/>
<b>Other comprehensive income for the year</b>		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the year available for discretionary division among members</b>		<b>51,560,954</b>	22,851,599
		<hr/>	<hr/>

The notes on pages 9 to 15 form part of these financial statements.



# York Capital Management Europe (UK) Advisors, LLP

## Statement of financial position at 31 December 2016

<i>Company number OC328382</i>	<i>Note</i>	<b>2016</b> £	<b>2016</b> £	<b>2015</b> £	<b>2015</b> £
<b>Fixed assets</b>					
Tangible fixed assets	8		431,489		566,901
<b>Current assets</b>					
Debtors: Amounts falling due after more than one year	9	890,370		923,386	
Debtors: Amounts falling due within one year	9	16,159,833		6,196,471	
		<u>17,050,203</u>		<u>7,119,857</u>	
Cash at bank and in hand		3,245,351		13,236,575	
		<u>20,295,554</u>		<u>20,356,432</u>	
<b>Creditors: amounts falling due within one year</b>	10	452,611		1,117,881	
<b>Net current assets</b>			<u>19,842,943</u>		<u>19,238,551</u>
<b>Net assets attributable to members</b>			<u>20,274,432</u>		<u>19,805,452</u>
<b>Represented by:</b>					
Members other interests - Members' capital classified as equity			2,338,169		1,780,000
Other reserves			123,093		
Loans and other debts due to members - Amounts due to members			<u>17,813,170</u>		<u>18,025,452</u>
			<u>20,274,432</u>		<u>19,805,452</u>
<b>Total members' interests</b>					
Members other interests			2,461,262		1,780,000
Amounts due to members			<u>17,813,170</u>		<u>18,025,452</u>
			<u>20,274,432</u>		<u>19,805,452</u>

The financial statements were approved by the Members, authorised for issued on and are signed on their behalf by: 25 April 2017

J Fosina

On behalf of York Capital Management UK Advisors Limited - Designated Member

The notes on pages 9 to 15 form part of these financial statements.

# York Capital Management Europe (UK) Advisors, LLP

## Statement of changes in members' interests for the year ended 31 December 2016

2016 Members' interests	EQUITY		Total £	DEBT Loans due to members £	Total £
	Members' capital £	Members other interests Other reserves £			
Members' interests at 1 January 2016	1,780,000	-	1,780,000	18,025,452	19,805,452
Profit for the year available for discretionary division among members	-	51,560,954	51,560,954	-	51,560,954
Amounts allocated to members	-	(51,437,861)	(51,437,861)	51,437,861	-
Members' remuneration charge as an expense	-	-	-	-	-
Drawings	-	-	-	(51,408,703)	(51,408,703)
Other movements	-	-	-	316,729	316,729
Capital introduced by members	558,169	-	558,169	(558,169)	-
Members' interests at 31 December 2016	<u>2,338,169</u>	<u>123,093</u>	<u>2,461,262</u>	<u>17,813,170</u>	<u>20,274,432</u>
<b>2015</b>					
<b>Members' interests</b>					
Members' interests at 1 January 2015	1,660,000	-	1,660,000	24,518,580	26,178,580
Profit for the year available for discretionary division among members	-	22,851,599	22,851,599	-	22,851,599
Amounts allocated to members	-	(22,851,599)	(22,851,599)	22,851,599	-
Members' remuneration charge as an expense	-	-	-	229,327	229,327
Drawings	-	-	-	(29,574,054)	(29,574,054)
Capital introduced by members	120,000	-	120,000	-	120,000
Members' interests at 31 December 2015	<u>1,780,000</u>	<u>-</u>	<u>1,780,000</u>	<u>18,025,452</u>	<u>19,805,452</u>

The notes on pages 9 to 15 form part of these financial statements.

# York Capital Management Europe (UK) Advisors, LLP

## Notes forming part of the financial statements for the year ended 31 December 2016

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### 1 Accounting policies

#### 1.1 General information

York Capital Management Europe (UK) Advisors, LLP is a Limited Liability Partnership ('LLP') incorporated in England and Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the LLP's operations and its principal activities are set out in the members report.

#### 1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, including the Statement of Recommended Practice (2016), 'Accounting by Limited Liability Partnerships'.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires LLP management to exercise judgement in applying the LLP's accounting policies (see note 2).

The following principal accounting policies have been applied:

#### 1.3 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of York Capital Management UK Advisors Limited as at 31 December 2016 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

#### 1.4 Turnover

Turnover represents service fee income, which is accrued on a monthly basis under the terms of the advisory agreements for the provision of management, administrative and research functions. Under the terms of the advisory service contract, a discretionary service fee bonus is also due to the Partnership at the end of each year based on the quality of the services provided.

Turnover is recognised on an accruals basis.

# York Capital Management Europe (UK) Advisors, LLP

## Notes forming part of the financial statements for the year ended 31 December 2016 (continued)

### 1 Accounting policies (continued)

#### 1.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method. The estimated useful lives range as follows:

Leasehold improvements	- Over the term of the lease
Fixtures and fittings	- Five years
Office and computer equipment	- Three to five years

#### 1.6 Impairment of fixed assets

Assets that are subject to depreciation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs).

#### 1.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 1.8 Financial assets

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

#### 1.9 Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

# York Capital Management Europe (UK) Advisors, LLP

## Notes forming part of the financial statements for the year ended 31 December 2016 (*continued*)

### 1 Accounting policies (*continued*)

#### 1.10 Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the LLP operates ('the functional currency'). The financial statements are presented in 'sterling', which is the LLP's functional and presentational currency.

##### (b) Transactions and balances

Foreign currency transactions are translated into the LLP's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

#### 1.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Partnership but are presented separately due to their size or incidence.

#### 1.12 Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Reverse premiums and similar incentives received to enter into operating lease agreements are released to the statement of comprehensive income over the term of the lease.

#### 1.13 Pensions

The LLP operates a defined contribution pension plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the LLP in independently administered funds.

#### 1.14 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date. The LLP holiday entitlement runs in conjunction with the financial statement year and the LLP has a policy which prevents employees carrying leave forward to future periods, accordingly no accrual is recognised within these financial statements.

# York Capital Management Europe (UK) Advisors, LLP

## Notes forming part of the financial statements for the year ended 31 December 2016 (*continued*)

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the members have made the following judgements:

- Determine whether leases entered into by the LLP are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there have been indicators of impairment of the LLP's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

#### *Other key sources of estimation uncertainty*

Tangible fixed assets (see note 8)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

### 3 Turnover

Turnover is wholly attributable to the principal activity of the Limited Liability Partnership and arises solely from markets in the Americas.

### 4 Exceptional item

During the prior year the designated members reviewed the VAT status of the LLP and applied for voluntary registration, which was granted on 17 June 2016 and retrospectively granted effective 12 May 2011. The exceptional income within administrative expenses represents the refund received in relation to items prior to 31 December 2015.

### 5 Operating profit

	2016 £	2015 £
This has been arrived at after charging/(crediting):		
Depreciation	145,209	155,698
Hire of other assets - operating leases	830,474	707,830
Auditors' remuneration:		
- Audit of the limited liability partnership accounts	20,350	20,850
- Non audit services - accountancy and FCA compliance	14,500	16,424
- Non audit services - partnership tax returns	7,250	7,000
Exchange differences	46,076	16,267
	<hr/>	<hr/>

# York Capital Management Europe (UK) Advisors, LLP

Notes forming part of the financial statements  
for the year ended 31 December 2016 (continued)

## 6 Employees and members

	2016 £	2015 £
Staff costs were as follows:		
Wages and salaries	11,464,231	9,098,328
Social security costs	1,532,118	1,180,946
Pension costs	15,843	-
	<u>13,012,192</u>	<u>10,279,274</u>

There were 22 employees during the period excluding members (2015 - 22).

## 7 Members' share of profits

Profits for discretionary division shall be allocated between the members in such proportions as determined by the managing member.

Members' remuneration for the year amounted to £Nil (2015 - £229,327), in relation to contractual payments to members.

The average number of members during the year was 5 (2015 - 5). The highest paid member of the Partnership received £23,472,105 (2015 - £8,203,320) of discretionary profit share in relation to the year ended 31 December 2016.

## 8 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Office and computer equipment £	Total £
<i>Cost</i>				
At 1 January 2016	933,383	274,547	187,835	1,395,765
Additions	-	-	9,797	9,797
<b>At 31 December 2016</b>	<b>933,383</b>	<b>274,547</b>	<b>197,632</b>	<b>1,405,562</b>
<i>Depreciation</i>				
At 1 January 2016	414,153	233,365	181,346	828,864
Depreciation for year	98,629	41,182	5,398	145,209
<b>At 31 December 2016</b>	<b>512,782</b>	<b>274,547</b>	<b>186,744</b>	<b>974,073</b>
<b>Net book value</b>				
<b>At 31 December 2016</b>	<b>420,601</b>	<b>-</b>	<b>10,888</b>	<b>431,489</b>
At 31 December 2015	519,230	41,182	6,489	566,901

# York Capital Management Europe (UK) Advisors, LLP

Notes forming part of the financial statements  
for the year ended 31 December 2016 (*continued*)

## 9 Debtors

	2016 £	2015 £
<b>Due within one year</b>		
Amounts owed by group undertakings	15,609,580	5,459,047
Other debtors	134,503	349,484
Prepayments and accrued income	415,750	387,940
	<hr/>	<hr/>
	16,159,833	6,196,471
<b>Due after more than one year</b>		
Other debtors	890,370	923,386
	<hr/>	<hr/>
Total debtors	17,050,203	7,119,857
	<hr/>	<hr/>

## 10 Creditors: amounts falling due within one year

	2016 £	2015 £
Other creditors	8,510	129,849
Accruals and deferred income	444,101	988,032
	<hr/>	<hr/>
	452,611	1,117,881
	<hr/>	<hr/>

Amounts due to members also fall due within one year, will rank equally with other creditors on a winding up of the partnership and relate to undrawn profit distributions.

## 11 Related party disclosures

### *Related party transactions and balances*

York Capital Management (US) Advisors, L.P. (YCM US Advisors) is controlled by YCM Master Holdings II, L.P. (YCMMLII), a Delaware limited liability partnership in the United States of America. YCMMLII is the parent of York Capital Management UK Advisors Limited (YCM UK Ltd), a designated member of the Partnership.

During the year, sales of £67,516,520 (2015 - £35,162,596) were made to YCM US Advisors. At the balance sheet date £15,609,580 (2015 - £5,459,047) was due to the limited liability partnership from YCM US Advisors.

During the year the partnership paid expenses totalling £169,169 (2015 - £249,381) on behalf of YCM US Advisors who in turn paid expenses totalling £458,003 (2015 - £458,772) on behalf of the partnership.

At the balance sheet date £17,813,170 (2015 - £18,025,452) was owed to designated members of the limited liability partnership.

## 12 Pension scheme

The LLP operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the LLP in an independently administered fund. The pension cost charge represents contributions payable by the LLP to the fund and amounted to £15,843 (2015 - £Nil). Contributions totalling £48,232 (2015 - £Nil) were payable to the fund at the reporting date.



# York Capital Management Europe (UK) Advisors, LLP

Notes forming part of the financial statements  
for the year ended 31 December 2016 (*continued*)

## 13 Commitments under operating leases

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

	2016 Land and buildings £	2015 Land and buildings £
Not later than 1 year	852,770	741,975
Later than 1 year and not later than 5 years	2,821,150	2,967,900
Later than 5 years	-	228,672
	<hr/>	<hr/>
Later than 5 years	3,673,920	3,938,547
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## 14 Ultimate controlling party

The Partnership is controlled by YCMMII, by virtue of their shareholding in YCM UK Ltd, a designated member of the Partnership.

The largest group in which the results of the Partnership are consolidated is that headed by YCMMII. The smallest group in which the results of the Partnership are consolidated is that headed by YCM UK Ltd. The accounts of YCM UK Ltd are available to the public and may be obtained from Companies House.