

Trilogy Global Advisors International LLP
Members' report and audited financial statements
For the year ended 31 December 2017



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Information

Designated Members

Dr M G Archer
Trilogy Global Advisors UK Holdings Limited

LLP registered number

OC329542

Registered office

4th Floor
Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

Independent auditors

haysmacintyre
10 Queen Street Place
London
EC4R 1AG

Trilogy Global Advisors International LLP
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Members' report
For the year ended 31 December 2017

The members present their annual report together with the audited financial statements of Trilogy Global Advisors International LLP ("the LLP") for the year ended 31 December 2017.

Principal activities

The LLP is authorised by the Financial Conduct Authority to conduct the regulated activities of arranging (bringing about) deals in investments and to make arrangements with a view to transactions in investments. Its principal activity during the year under review has been the provision of these services to its ultimate parent, Trilogy Global Advisors LP, an entity registered in the United States.

Principal risks and uncertainties

The LLP is not exposed to any significant price, credit, liquidity or cash flow risks.

Results and allocation to members

The results are shown in the Statement of comprehensive income on page 7. The Statement of financial position as detailed on page 8 shows a satisfactory position of total members' interests amounting to £912,817 (2016: £793,593).

Review of business

It is the members' opinion that there are no significant risks or uncertainties facing the LLP other than the general risks that exist in the financial services sector.

The results and the financial position at the year end were considered satisfactory by the members.

Members

The members during the year under review and up to the date of this report were:

Dr M G Archer*
Trilogy Global Advisors UK Holdings Limited*
L A Leberknight (resigned 10 May 2017)

* Denotes a designated member

Policy for members' drawings, subscriptions and repayments of members' capital

Policies for members' drawings, subscriptions and repayment of members' capital are governed by the Partnership Agreement dated 30 September 2008 and restated 6 November 2013. In summary, the capital contributions to be made by each member are determined by the other members via members' resolution. These capital contributions shall only be repaid with the consent of the other members where an equal amount of capital is contributed by the remaining members, or on the dissolution of the LLP.

Trilogy Global Advisors International LLP

Members' report
For the year ended 31 December 2017

Going concern

The LLP's business activities are set out above. The financial position of the LLP and its liquidity position are reflected on the Statement of financial position. The LLP has considerable financial resources and ongoing advisory contracts. As a consequence, the members believe that the LLP is well placed to manage its business risks successfully. The members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. Thus they adopt the going concern basis of accounting in preparing the annual financial statements.

Statement as to disclosure of information to auditors

In the case of each of the persons who are designated members at the time when the report is approved:

- So far as the members are aware, there is no relevant audit information of which the LLP's auditors are unaware; and
- Each member has taken all the steps that ought to be taken as a member in order to make themselves aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

Auditors

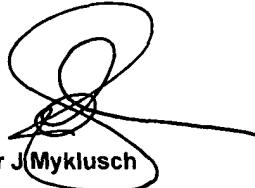
The auditors, haysmacintyre, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the members' meeting to approve these financial statements.

This report was approved by the members on 24 April 2018 and signed on their behalf by:



Dr M G Archer

Designated member



Mr J Myklusch

Director, on behalf of Trilogy Global Advisors UK
Holdings Limited Designated member

Members' responsibilities statement
For the year ended 31 December 2017

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law, as applied to LLPs, requires the members to prepare financial statements for each financial year. Under that law 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied to LLPs, 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members 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 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 LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP 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 LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Trilogy Global Advisors International LLP

Opinion

We have audited the financial statements of Trilogy Global Advisors International LLP for the year ended 31 December 2017 which comprise of the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2017 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.

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships. 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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

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. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, 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.

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 members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the limited liability partnership'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.

Independent auditors' report to the members of Trilogy Global Advisors International LLP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of members

As explained more fully in the members' responsibilities statement, the members 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 members 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 members are responsible for assessing the LLP'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 members either intend to liquidate the LLP 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Melanie Pittas

Melanie Pittas (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 24 April 2018

**Statement of comprehensive income
For the year ended 31 December 2017**

	Note	2017 £	2016 £
Turnover	4	984,769	1,135,185
Administrative expenses		<u>(168,030)</u>	<u>(214,769)</u>
Operating profit	5	816,739	920,416
Interest receivable and similar income	8	<u>36</u>	<u>236</u>
Profit for the year before members' remuneration and profit shares		816,775	920,652
Members' remuneration charged as an expense		<u>(677,265)</u>	<u>(759,640)</u>
Profit for the financial year available for discretionary division among members		139,510	161,012
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>139,510</u>	<u>161,012</u>

All amounts relate to continuing operations.

The notes on pages 10 to 17 form an integral part of these financial statements.

Statement of financial position
As at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible fixed assets	9	41	446
Current assets			
Debtors: amounts falling due within one year	10	687,422	529,106
Cash and cash equivalents	11	<u>251,528</u>	<u>287,810</u>
		938,950	816,916
Creditors: amounts falling due within one year	12	<u>(26,174)</u>	<u>(23,769)</u>
Net current assets		<u>912,776</u>	<u>793,147</u>
Net assets attributable to members		<u>912,817</u>	<u>793,593</u>
Represented by:			
Loans and other debts due to members within one year			
Other amounts		771,817	642,593
Members' other interests			
Members' capital classified as equity		<u>141,000</u>	<u>151,000</u>
		<u>912,817</u>	<u>793,593</u>
Total members' interests			
Loans and other debts due to members	14	771,817	642,593
Members' other interests		<u>141,000</u>	<u>151,000</u>
		<u>912,817</u>	<u>793,593</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on **24 APRIL 2018**



Dr M G Archer

Designated member



Mr J Mykbsch
Director, on behalf of Trilogy Global Advisors UK
Holdings Limited
Designated member

The notes on pages 10 to 17 form an integral part of these financial statements.

Statement of changes in equity
As at 31 December 2017

	EQUITY			DEBT	
	Members' capital (classified as equity) £	Other reserves £	Total members' other interests £	Loans and other debts due to/(from) members £	Total members' interests £
Balance at 1 January 2016	151,000	-	151,000	562,625	713,625
Members' remuneration charged as an expense	-	-	-	759,640	759,640
Profit for the year available for discretionary division among members	-	161,012	161,012	-	161,012
Members' interests after profit for the year	151,000	161,012	312,012	1,322,265	1,634,277
Allocated profit for the year	-	(161,012)	(161,012)	161,012	-
Amounts withdrawn by members	-	-	-	(805,414)	(805,414)
Other movements	-	-	-	(35,270)	(35,270)
Balance at 31 December 2016	151,000	-	151,000	642,593	793,593
Members' remuneration charged as an expense	-	-	-	677,265	677,265
Profit for the year available for discretionary division among members	-	139,510	139,510	-	139,510
Members' interests after profit for the year	151,000	139,510	290,510	1,319,858	1,610,368
Allocated profit for the year	-	(139,510)	(139,510)	139,510	-
Amounts withdrawn by members	-	-	-	(688,536)	(688,536)
Capital repaid	(10,000)	-	(10,000)	-	(10,000)
Other movements	-	-	-	985	985
Balance at 31 December 2017	141,000	-	141,000	771,817	912,817
				2017 £	2016 £
Amounts due to members				771,817	642,593

**Notes to financial statements
For the year ended 31 December 2017**

1. General information

The LLP is a limited liability partnership incorporated in England and Wales. The address of its registered office is 4th Floor, Reading Bridge House, George Street, Reading, RG1 8LS and the address of its principal place of business is 4 Bentinck Street, London, W1U 2EF.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The financial statements have been prepared on a going concern basis, as mentioned in the members' report. Based on the members' assessment, as stated in the members' report, the members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the entity's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 – reduced disclosure exemptions

The LLP 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;

This information is included in the consolidated financial statements of Trilogy Global Advisors UK Holdings Limited as at 31 December 2017 and these financial statements may be obtained from Companies House.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Turnover is derived from management services provided to Trilogy Global Advisors LP.

Notes to the financial statements
For the year ended 31 December 2017

2. Accounting policies (continued)

2.4 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.

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:

Computer and office equipment - 3 years

2.5 Operating leases

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the period of the lease.

2.6 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.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment, except where repayable on demand.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, except where repayable on demand

2.9 Current and deferred taxation

No provision has been made for taxation in the financial statements. Each member is exclusively liable for any tax liabilities arising out of their interest in the LLP. Tax is assessed on the individual members and not on the LLP.

Notes to the financial statements
For the year ended 31 December 2017

2.10 Financial instruments

The LLP only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade creditors or debtors, 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

2.11 Interest income

Interest income is recognised in the Statement of comprehensive income using the accruals method.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the LLP's accounting policies, the members are required to make judgments, estimates and assumptions in determining the carrying amounts of assets and liabilities. The members' judgments, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgments, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

3.1 Critical judgments in applying the LLP's accounting policies

The critical judgments that the members have made in the process of applying the LLP's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the members have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability.

Notes to the financial statements
For the year ended 31 December 2017

3. Judgments in applying accounting policies and key sources of estimation uncertainty
(continued)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of debtors

The LLP makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtor and historical experience.

4. Analysis of turnover

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Advisory fees	984,769	1,135,185

All turnover arose within the United Kingdom.

5. Operating profit

Operating profit stated after charging/(crediting):

	2017 £	2016 £
Depreciation of tangible fixed assets	405	733
Fees payable to the LLP's auditors:		
- for the audit of the LLP's financial statements	7,250	6,950
- other services	1,250	1,000
Foreign exchange (gains)/losses	(60)	663
Operating lease rentals	28,264	32,256

6. Employees

The LLP has no employees (2016: none).

Trilogy Global Advisors International LLP

Notes to the financial statements For the year ended 31 December 2017

7. Information in relation to members

	2017 £	2016 £
The average number of members during the year was	<u>2</u>	<u>3</u>
Members' remuneration charged as an expense as per the terms of the LLP agreement	<u>677,265</u>	<u>759,640</u>
The amount of profit attributable to the member with the largest entitlement	<u>614,111</u>	<u>588,808</u>

8. Interest receivable and similar income

	2017 £	2016 £
Bank interest receivable	<u>36</u>	<u>236</u>

9. Tangible fixed assets

	Computer and office equipment £
Cost	
At 1 January and 31 December 2017	<u>11,115</u>
Accumulated depreciation	
At 1 January 2017	10,669
Charge for year	<u>405</u>
At 31 December 2017	<u>11,074</u>
Net book value	
At 31 December 2017	<u>41</u>
At 31 December 2016	<u>446</u>

Notes to the financial statements
For the year ended 31 December 2017

10. Debtors

	2017	2016
	£	£
Amounts owed by group undertakings	665,762	503,697
Other debtors	9,066	9,379
Prepayments and accrued income	12,594	16,030
	<u>687,422</u>	<u>529,106</u>

Amounts due from group undertakings are unsecured, interest free and repayable on demand.

Included within other debtors is a rent deposit of £4,600 (2016: £4,600) which is due within one year.

11. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	<u>251,528</u>	<u>287,810</u>

12. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	5,174	-
Accruals and deferred income	<u>21,000</u>	<u>23,769</u>
	<u>26,174</u>	<u>23,769</u>

13. Financial instruments

	2017	2016
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>670,362</u>	<u>508,297</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>26,174</u>	<u>23,769</u>

Financial assets that are debt instruments measured at amortised cost comprise of amounts due from group undertakings and a rent deposit.

Financial liabilities measured at amortised cost comprise of trade creditors and accruals.

**Notes to the financial statements
For the year ended 31 December 2017**

14. Loans and other debts due to members

	2017	2016
	£	£
Amounts due to members	<u>771,817</u>	<u>642,593</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

15. Commitments under operating leases

At 31 December 2017 the LLP had future minimum rentals under non-cancellable operating leases as follows:

	2017	2016
	£	£
Not later than 1 year	25,200	18,396
Within 2-5 years	<u>14,700</u>	<u>-</u>
Total	<u>39,900</u>	<u>18,396</u>

16. Related party transactions

During the year the LLP charged advisory services of £984,769 (2016: £1,135,185) to Trilogy Global Advisors LP ("the LP"), an entity domiciled in the United States. The LLP also received payments totalling £822,704 (2016: £1,119,170) from the LP. At 31 December 2017, the balance due from the LP was £665,762 (2016: £503,697).

Key management personnel comprises the members of the LLP. Total compensation paid to key management personnel is disclosed in note 7.

Trilogy Global Advisors UK Holdings Limited ("the company") is the corporate member to the LLP. During the year the LLP allocated profits of £132,535 (2016: £149,741) to the company, and made payments in respect of tax on behalf of the company of £36,077 (2016: £35,270). As at 31 December 2017, there was a balance due to the company of £727,780 (2016: £631,322).

Notes to the financial statements
For the year ended 31 December 2017

17. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Trilogy Global Advisors UK Holdings Limited and the ultimate parent undertaking is Trilogy Global Advisors LP, an entity incorporated in the USA.

Affiliated Managers Group Inc. ("AMG") acquired a majority interest of approximately 60% in Trilogy Global Advisors LP on 3 December 2010. Under the terms of the operating agreement, the operations and investment advisory processes are managed exclusively by the Limited Partners. There is no one controlling party.

Trilogy Global Advisors UK Holdings Limited has included the LLP in its group financial statements, copies of which are available from Companies House.

Trilogy Global Advisors LP has included the LLP in its group financial statements, copies of which are available from its registered office at 1140 Avenue of the Americas, 18th Floor, New York, NY 10036.

The largest group of undertakings for which group accounts have been drawn up which include the LLP is headed by Trilogy Global Advisors LP and the smallest is headed by Trilogy Global Advisors UK Holdings Limited.