

Registered number: OC346886

AEDOS ADVISERS (LONDON) LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

TUESDAY



A6Y7FQVS

A20

23/01/2018

#180

COMPANIES HOUSE

AEDOS ADVISERS (LONDON) LLP

CONTENTS

	Page
Information	1
Members' report	2 - 3
Independent auditors' report	4 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 - 17

AEDOS ADVISERS (LONDON) LLP

INFORMATION

Designated Members

J Wood
I A Barclay

LLP registered number

OC346886

Registered office

3 Cadogan Gate, London, SW1X 0AS

Independent auditors

Ernst & Young LLP, 25 Churchill Place, Canary Wharf, London, E14 5EY

AEDOS ADVISERS (LONDON) LLP

**MEMBERS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The members present their annual report and financial statements of Aedos Advisers (London) LLP ("the LLP") for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The principal activity of the LLP in the year under review was that of investment services.

DESIGNATED MEMBERS

J Wood and I A Barclay were designated members of the LLP throughout the period.

MEMBERS' CAPITAL AND INTERESTS

Any profits are shared among the members as decided by the Managing Member and governed by the Limited Liability Partnership Agreement dated 9 July 2009.

Going Concern

As previously noted, the LLP had ceased to be an investment advisor as of 30 September 2015. The financial position of the LLP and its liquidity are reflected in the statement of financial position.

The members expect the LLP to continue to as an unregulated entity and the members commit to supporting it for a period of at least 12 months from the date these financial statements are approved.

MEMBERS' RESPONSIBILITIES STATEMENT

The Designated Members are responsible for preparing the Members' report and the financial statements in accordance with applicable law and regulations.

Legislation applicable to limited liability partnerships (Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the Designated Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), including FRS 102 the Financial Reporting Standard applicable to the UK and Republic of Ireland and and applicable law. Under this legislation the Designated 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 year. In preparing those financial statements, the Designated 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 Designated 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 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. 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.

AEDOS ADVISERS (LONDON) LLP

MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

This report was approved by the members on 18/12/2017 and signed on their behalf by:



I A Barclay

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEDOS ADVISERS (LONDON) LLP

We have audited the financial statements of Aedos Advisers (London) LLP for the year ended 31 December 2016 which comprise the Income Statement, 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 15. The financial reporting framework that has been applied in their preparation is applicable law including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the LLP's members in accordance with the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' 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 LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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. 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 Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 December 2016 and of its loss 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 Companies Act 2006) Regulations 2008.

AEDOS ADVISERS (LONDON) LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEDOS ADVISERS (LONDON) LLP

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006, 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.

Ernst & Young LLP

Denise Davidson (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP (Statutory Auditor)
London

Date: 19/12/17

AEDOS ADVISERS (LONDON) LLP

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £
Turnover		267,640	581,000
Gross profit		267,640	581,000
Administrative expenses		(267,734)	(561,213)
Operating (loss)/profit		(94)	19,787
(Loss)/profit for the year before members' remuneration and profit shares available for discretionary division among members		(94)	19,787
(Loss)/profit for the year before members' remuneration and profit shares		(94)	19,787
(Loss)/profit for the financial year available for discretionary division among members		(94)	19,787

There were no recognised gains and losses for 2016 or 2015 other than those included in the income statement.

AEDOS ADVISERS (LONDON) LLP
REGISTERED NUMBER: OC346886

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	8	1,494	4,638
		<u>1,494</u>	<u>4,638</u>
Current assets			
Debtors: amounts falling due within one year	9	171,580	383,618
Cash and cash equivalents	10	158,442	18,116
		<u>330,002</u>	<u>401,734</u>
Creditors: amounts falling due within one year	11	(70,935)	(145,717)
Net current assets		<u>259,067</u>	<u>256,017</u>
Total assets less current liabilities		<u>260,561</u>	<u>260,655</u>
Net assets attributable to members		<u>260,561</u>	<u>260,655</u>
Represented by:			
Members' other interests			
Members' capital classified as equity		250,000	250,000
Other reserves classified as equity		10,561	10,655
Total members' interests		<u>260,561</u>	<u>260,655</u>
Members' other interests		<u>260,561</u>	<u>260,655</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 15/12/2017

I A Barclay
Designated member



AEDOS ADVISERS (LONDON) LLP

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2016**

	Members capital (classified as equity) £	Other reserves £	Total equity £
At 1 January 2016	250,000	10,655	260,655
Loss for the year available for discretionary division among members	-	(94)	(94)
At 31 December 2016	250,000	10,561	260,561

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2015**

	Members capital (classified as equity) £	Other reserves £	Total equity £
At 1 January 2015	250,000	(9,132)	240,868
Profit for the year available for discretionary division among members	-	19,787	19,787
At 31 December 2015	250,000	10,655	260,655

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

AEDOS ADVISERS (LONDON) LLP

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	£	£
Cash flows from operating activities		
(Loss)/Profit for the financial year	(94)	19,787
Adjustments for:		
Depreciation of tangible assets	3,142	6,887
Interest paid	(1,430)	-
Increase in debtors	(13,342)	(9,205)
Decrease/(increase) in amounts owed by group undertakings	225,400	(121,974)
Decrease in creditors	(74,780)	(41,757)
Net cash provided by/(used) in operating activities	138,896	(146,262)
Cash out flows from investing activities		
Purchase of tangible fixed assets	-	(1,201)
Net cash outflows from investing activities	-	(1,201)
Interest paid	1,430	-
Net cash used in financing activities	1,430	-
Net increase/(decrease) in cash and cash equivalents	140,326	(147,463)
Cash and cash equivalents at beginning of year	18,116	165,579
Cash and cash equivalents at the end of year	158,442	18,116
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	158,442	18,116
	158,442	18,116

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES

1.1 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 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of these 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 2).

The following principal accounting policies have been applied:

1.2 Going concern

As detailed in the Members' Report, the LLP has ceased to be an investment advisor as of 30 September 2015. The financial position of the LLP and its liquidity are reflected in the statement of financial position.

The members expect the LLP to continue to operate as an unregulated entity and the members commit to supporting it for the next 12 months.

1.3 Revenue

Revenue from a contract to provide services is recognised in the period in which the services are provided.

1.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

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:

Depreciation is provided on the following bases:

Fixtures and fittings	-	33% straight line
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the income statement.

1.5 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES (continued)

1.6 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. 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.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the entity's cash management.

1.7 Financial Instruments

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

1.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.9 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'other operating income'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES (continued)

1.10 Pensions

Defined contribution pension plan

The LLP operates a defined contribution 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 payments obligations.

The contributions are recognised as an expense in the income statement 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.

1.11 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, which will be assessed on the individual members and not on the LLP.

1.12 Members' profit allocation

Discretionary profit allocations are recognised when formally approved by the management committee.

Allocations made to members that are not considered discretionary have been accrued as an expense to the profit and loss account.

1.13 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATING UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. No significant estimates were utilised in the preparation of these financial statements.

AEDOS ADVISERS (LONDON) LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

3. ANALYSIS OF TURNOVER

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

	2016 £	2015 £
Investment Services	267,640	581,000
	<u>267,640</u>	<u>581,000</u>

All turnover arose within Aedos Fund Management (Bermuda) Limited.

4. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	3,142	6,886
Exchange differences	796	2,556
Defined contribution pension cost	-	1,041
	<u>-</u>	<u>1,041</u>

AEDOS ADVISERS (LONDON) LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. AUDITORS' REMUNERATION

	2016	2015
	£	£
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual accounts	15,000	15,000

6. EMPLOYEES

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	66,364	204,735
Social security costs	6,283	23,152
Cost of defined contribution scheme	-	1,041
	72,647	228,928

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

	2016	2015
	No.	No.
Administration	1	2

7. INFORMATION IN RELATION TO MEMBERS

	2016	2015
	Number	Number
The average number of members during the year was	3	3

AEDOS ADVISERS (LONDON) LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2016	2,060	53,348	55,408
At 31 December 2016	2,060	53,348	55,408
Depreciation			
At 1 January 2016	859	49,910	50,769
Charge for the period	-	3,145	3,145
At 31 December 2016	859	53,055	53,914
At 31 December 2016	1,201	293	1,494
At 31 December 2015	1,200	3,438	4,638

9. DEBTORS

	2016 £	2015 £
Trade debtors	630	630
Amounts owed by group undertakings	123,625	349,025
Other debtors	6,470	20,888
Prepayments and accrued income	40,835	13,075
	171,560	383,618

Amounts owed by group undertakings are unsecured, interest free and due on demand.

AEDOS ADVISERS (LONDON) LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

10. CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	158,442	18,116
	<u>158,442</u>	<u>18,116</u>

11. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	36,153	119,788
Taxation and social security	-	2,104
Other creditors	-	8
Accruals and deferred income	34,782	23,817
	<u>70,935</u>	<u>145,717</u>

12. FINANCIAL INSTRUMENTS

	2016 £	2015 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	163,366	370,544
	<u>163,366</u>	<u>370,544</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(70,936)	(143,613)
	<u>(70,936)</u>	<u>(143,613)</u>

Financial assets measured at amortised cost comprise trade debtors, intercompany debtors and other short-term debtors.

Financial liabilities measured at amortised cost comprise trade creditors and other short-term creditors.

13. PENSION COMMITMENTS

The LLP operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the LLP to the fund and amounted to £nil (2015 - £1,041).

14. RELATED PARTY TRANSACTIONS

	2016	2015
	£	£
Advisory fees charged to Aedos Fund Management (Bermuda) Limited	270,500	581,000
Balance owing from Aedos Fund Management (Bermuda) Limited	29,000	240,000
Balance owing from Aedos Master Fund LP	109,025	109,025

Aedos Fund Management (Bermuda) Limited is considered to be a related party as Jon Wood is director.

Aedos Master Fund LP is considered to be a related party as Jon Wood has significant control over this entity

15. CONTROLLING PARTY

The LLP is controlled by J Wood by virtue of his majority interest in the LLP.