

Registered Number: OC375120

CALLISTO ASSET MANAGEMENT LLP
Formerly CALLISTO ADVISORS LLP
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

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CALLISTO ASSET MANAGEMENT LLP
Formerly CALLISTO ADVISORS LLP

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CALLISTO ASSET MANAGEMENT LLP
Formerly CALLISTO ADVISORS LLP

Registration Number: OC367979

Members

Solo Capital Limited
Mr Renato Guido
Bernard Minsky
Edo Barac
Richard Hardebeck
Mankash Jain
Jas Bains

(Appointed 19 November 2013)
(Appointed 31 March 2014)
(Appointed 29 April 2013, Resigned 31 March 2014)
(Appointed 29 April 2013, Resigned 31 March 2014)
(Appointed 29 April 2013, Resigned 31 March 2014)
(Appointed 29 April 2013, Resigned 19 July 2013)

Registered Office

10 Exchange Square,
Primrose Street
London
EC2A 2EN

Independent Auditors

Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

Bankers

Barclays
Chingford
London

CALLISTO ASSET MANAGEMENT LLP
Formerly CALLISTO ADVISORS LLP

Members Report
For the period ended 31 March 2014

The members present their report and the audited financial statements for Callisto Asset Management LLP ('the LLP') for the year ended 31 March 2014.

Principal Activities

Callisto Asset Management LLP was incorporated on 10 May 2012 and was dormant up until 4 July 2013. From this date onwards the principal activity of the LLP became Asset Management.

The LLP is authorised and regulated for the conduct of business by the United Kingdom Financial Conduct Authority.

Results and Business Review

The results for the year showed a start up operating loss of £235,010.

The partnership will continue to develop its business model in the current financial year.

Designated Members

The following members were designated members during the period:

Solo Capital Limited

Mr Renato Guido	(Appointed 19 November 2013)
Mr Bernard Minsky	(Appointed 31 March 2014)
Mr Sanjay Shah	(Appointed 28 June 2012; Resigned 29 April 2013)
Mr Mankash Jain	(Appointed 29 April 2013; Resigned 31 March 2014)
Mr Richard Clive Hardebeck	(Appointed 29 April 2013; Resigned 31 March 2014)
Mr Edo Barac	(Appointed 29 April 2013; Resigned 31 March 2014)
Mr Jas Bains	(Appointed 29 April 2013; Resigned 19 July 2013)

Policy on Members Drawings and Members' Capital

The policies regarding Members drawings, transfers from capital to debt and the subscription and repayment of Members' capital are governed by the Limited Liability Partnership Agreement dated 31 March 2014.

Change in partnership name

During the year the partnership changed its name from Callisto Advisors LLP to Callisto Asset Management LLP.

Pillar 3

Pillar 3 disclosures can be obtained from the LLP's registered office upon request.

Approved by the Designated Members on 30 May 2014.



For and behalf of Solo Capital Limited
Member

CALLISTO ASSET MANAGEMENT LLP
Formerly CALLISTO ADVISORS LLP

Statement of Members Responsibilities

The members are responsible for preparing the Members Report and the financial statements in accordance with applicable law and regulations.

Company law, as applicable 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 Standards and applicable law). Under company law, as applicable 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 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 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, as applicable to LLPs. 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 Auditor's Report to the Members of Callisto Asset Management LLP

We have audited the financial statements of Callisto Asset Management LLP for the year ended 31 March 2014 which are set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 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.

Respective responsibilities of members and auditors

As explained more fully in the Members' Responsibilities Statement set out on page 3, 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 Auditing Practices Boards (APB'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 limited liability partnership'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 Members' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

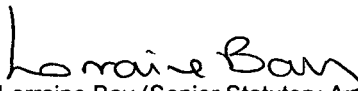
In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 March 2014 and of its result 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.

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.


Lorraine Bay (Senior Statutory Auditor)
For and on behalf of Moore Stephens LLP, Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB

30 May 2014

CALLISTO ASSET MANAGEMENT LLP
Formerly CALLISTO ADVISORS LLP

Profit and Loss Account

		Year ended 31 March 2014	Period from 10 May 2012 to 31 March 2013
	Note	£	£
Turnover	1	-	-
Administrative expenses		<u>(235,010)</u>	<u>-</u>
Operating Loss	2	<u>(235,010)</u>	<u>-</u>
Loss for the year before members remuneration charged as an expense		(235,010)	-
Members remuneration charged as an expense	5	<u>-</u>	<u>-</u>
Loss available for discretionary allocation		<u><u>(235,010)</u></u>	<u><u>-</u></u>

All amounts relate to continuing operations. There were no recognised gains and losses for the year other than those recognised in the profit and loss account.

CALLISTO ASSET MANAGEMENT LLP
Formerly CALLISTO ADVISORS LLP

Balance Sheet – 31 March 2014

		31 March 2014	31 March 2013
	Note	£	£
Current Assets			
Debtors	3	519,749	-
Cash at bank and in hand		193	-
		<u>519,942</u>	<u>-</u>
Creditors: amounts falling due within one year	4	(4,952)	-
Net current assets attributable to members		<u>514,990</u>	<u>-</u>
Represented by:			
Members other Interests			
Members capital classified as equity	5	750,000	-
Other reserves	5	(235,010)	-
		<u>514,990</u>	<u>-</u>
Memorandum of Members Total Interest			
Loans and other debts due from members		-	-
Members total interests		<u>514,990</u>	<u>-</u>
		<u>514,990</u>	<u>-</u>

The financial statements were approved by the Members on 30 May 2014.



For and behalf Solo Capital Limited
Member

The notes on pages 7 to 9 form part of these financial statements.

CALLISTO ASSET MANAGEMENT LLP
Formerly CALLISTO ADVISORS LLP

Notes to the Financial Statements for the year ended 31 March 2014

1. Principal Accounting Policies

(a) Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting by Limited Liability Partnerships" and the terms of the LLP Membership Agreement.

The financial statements have been prepared on a going concern basis despite the current review of the ongoing suitability of the LLP structure. The members have concluded that the business activities of the partnership will continue in whatever legal structure is most appropriate to deliver the business strategy.

(b) Cash flow statement

The LLP meets the exemption requirements of FRS1 (revised), cash flow statements, in that it is 100% owned by a company whose consolidated accounts are publicly available. For this reason a cash flow statement has not been prepared.

(c) Taxation

Any taxation payable on future profits will be the personal liability of the members.

(d) Expenses

Expenses are shown on an accruals basis.

(e) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

(f) Debtors

Debtors are shown after providing for any amounts which in the opinion of the members may not be collected in full.

(g) Turnover

There was no turnover during the year.

2. Operating Loss

The operating loss is stated after charging:

	2014	2013
	£	£
Auditors' Remuneration		
Audit services	<u>5,000</u>	<u>-</u>

CALLISTO ASSET MANAGEMENT LLP
Formerly CALLISTO ADVISORS LLP

Notes to the Financial Statements for the year ended 31 March 2014 (continued)

3. Debtors

	2014 £	2013 £
Prepayments	27,188	-
Amounts due from related parties	492,561	-
	<u>519,749</u>	<u>-</u>

4. Creditors: amounts falling due within one year

	2014 £	2013 £
Accruals	4,952	-
	<u>4,952</u>	<u>-</u>

5. Reconciliation of Movements in Members Interests

	Members Capital (classified as equity) £	Other Reserves £	Total £	Loans and other debts due to/(from) members £	Total £
Balance as at 31 March 2013	-	-	-	-	-
Capital introduced by members	750,000	-	750,000	-	750,000
Repayment of members capital	-	-	-	-	-
Loss for the financial year available for discretionary division among members	-	(235,010)	(235,010)	-	(235,010)
Members interests after (loss) for the period	750,000	(235,010)	514,990	-	514,990
Allocations made during the year	-	-	-	-	-
Drawings	-	-	-	-	-
Balance as at 31 March 2014	<u>750,000</u>	<u>(235,010)</u>	<u>514,990</u>	<u>-</u>	<u>514,990</u>
Amounts due to / (from) members				<u>-</u>	

Amounts due to Members would rank equally with other unsecured creditors in the event of a winding up of the LLP.

The average number of LLP members during the year was 4 and the average LLP members remuneration was £Nil.

CALLISTO ASSET MANAGEMENT LLP
Formerly CALLISTO ADVISORS LLP

Notes to the Financial Statements for the year ended 31 March 2014 (continued)

6. Related Party Balances

The Partnership has taken advantage of the exemption available in FRS 8 – Related Party Transactions not to disclose transactions with entities that are part of the group qualifying as related parties on the grounds that it is a wholly owned subsidiary of which consolidated financial statements prepared by its parent undertaking are publically available.

7. Ultimate Controlling Party

The immediate controlling party is Solo Capital Limited, a company incorporated in the UK, which represents the largest and smallest group for which consolidated accounts are available. In the opinion of the Members, Mr S Shah who holds 100% of the shares in Solo Capital Limited is the ultimate controlling party. Group accounts are publicly available, copies can be obtained from its principal place of business.

Pillar 3 Disclosure

Introduction

This Pillar 3 disclosure is made by Callisto Asset Management LLP ("Callisto" or "the Firm") in accordance with the rules of the Financial Conduct Authority (FCA) and provides information concerning the Firm's capital, risk exposure and risk assessment and management procedures. The Firm is a BIPRU 50k limited licence Firm and is not a member of a UK consolidation group; consequently the Firm makes the following disclosures on an individual basis. The disclosures are made as at 31 March 2014 and are not subject to audit, except to the extent they are equivalent to disclosures made under accounting requirements. The Firm makes Pillar 3 disclosures annually and additionally upon the occurrence of any material change.

Business overview

The Firm provides investment advice to an offshore investment manager.

As a limited licence Firm, Callisto does not trade as principal and therefore does not assume any counterparty or market risk. The Firm's franchise and staff are its key assets. The Firm protects these assets via its remuneration policies and the notice periods and restrictive covenants contained within its employment contracts.

Governance Framework

The Management Committee of the Firm is responsible for providing the commercial strategy, risk appetite and risk management strategy for the Firm. It is responsible for ensuring the Firm has the appropriate human and financial resources and systems and controls in place to ensure the Firm meets both its commercial and risk management objectives. The Management Committee meets at least quarterly; to evaluate the performance of the business, the Firm's financial position, business planning and risk management.

Risk Management Framework

The Management Committee seeks to identify on a continuous basis the key risks faced by the Firm, to define its risk appetite and develop and implement effective controls and risk mitigants. Risk is managed through a framework of policy and procedures having regard to relevant laws, standards, principles and rules (including FCA principles and rules).

The Management Committee considers the risks faced by the Firm to be limited in scope due to the nature and scale of the Firm's business activities. The risk framework is tailored accordingly.

Credit Risk

This is the risk that the Firm will suffer a loss as a result of a client or counterparty failing to meet its obligations.

In the context of the Firm's business, credit exposure is limited to the non-payment of management fees. The operations department is responsible for ensuring invoices are paid promptly and for monitoring all outstanding invoices. Invoices are payable within 30 days of issue and will be considered past due if not paid by the due date for payment. Debtors are impaired based upon the Firm's historical experience of collection. Impairment is defined as a reduction in the recoverable amount as result of potential disputes. Information concerning aged debtors is provided to the Management Committee.

Market Risk

The Firm does not enter into any trades or transactions as principal and so its market risk is limited. The Firm monitors its cash and liquidity position at all times.

Capital Resources

Tier 1 Capital comprises Share Capital and Audited Reserves.

Tier 1 Capital	£514,990
Deductions	£0
Tier 2 Capital	£0
Deductions	£0
Tier 3 Capital	£0
Deductions	£0
Total Capital	<u>£514,990</u>

Capital adequacy

The Firm has calculated a Fixed Overhead requirement of £273,713, which represents the Firm's Capital Resources Requirement.

The Firm's total Credit Risk requirement has been calculated at £49,995 and total Market Risk requirement, has been calculated at £506 which comprises solely Foreign Currency PRR.

The Firm has forecasts in place and has carried out stress tests as part of its ICAAP process to ensure that the Firm can continue to meet its regulatory capital requirement and that it has sufficient capital to support its activities on an ongoing basis.

Remuneration

Remuneration policy is determined by the Management Committee and is based on information sourced routinely in the normal management of the business.

Pay is structured to provide a significant incentive to staff to generate revenue. Revenues are measured each quarter against predetermined contractual objectives which are the sole driver of variable pay.

There is no scope for risk taking within the delegated responsibilities of staff.

No material sums were paid during the year relating either to the sign on or severance of staff.