
SIONIC ADVISORS GLOBAL HOLDINGS LLP

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

MONDAY



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COMPANIES HOUSE

INFORMATION

Designated Members

Catalyst DebtCo Limited

Sionic BidCo Limited

LLP registered number

OC417447

Registered office

111 Old Broad Street

London, EC2N 1AP

Independent auditors

RSM UK Audit LLP

25 Farringdon Street

London, EC4A 4AB

Bankers

Royal Bank of Canada

200 Bay Street

Toronto

Ontario, M5J 2W7

Chase Business Banking

925 Westchester Avenue

Suite 300

White Plains

New York, 10604

Arbuthnot Latham & Co., Limited

Arbuthnot House

7 Wilson Street

London, EC2M 2SN

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**MEMBERS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The members present their annual report together with the audited financial statements of Sionic Advisors Global Holdings LLP (the "LLP and the Group") for the year ended 31 December 2018.

Principal activities

The principal activity of the Sionic Advisors Global Holdings LLP is that of a holding Limited Liability Partnership.

The principal activity of the group is that of providing consultancy services, principally to banks but also to other financial institutions. The group has branches outside the UK in Spain and Switzerland.

Designated Members

The following designated members have held office since 1 January 2018:

C L Sher	(resigned 1 April 2019)
H S Sidhu	(resigned 1 April 2019)
Catalyst DebtCo Limited	(appointed 1 April 2019)
Sionic BidCo Limited	(appointed 1 April 2019)

Results for the year and allocation to members

The members consider the results for the year to be satisfactory given the developments in the year. The consolidated profit for the year before members' remuneration and profit allocations was \$5,193,557 (2017: \$4,511,282). Net assets at the year end amounted to \$2,587,669 (2017: \$2,203,627).

Going Concern

For the year to 31 December 2018, the group made a profit and at the balance sheet date had net current assets and net assets. The group is a going concern with multiple client relationships of long standing which means that it has more than sufficient resources to meet its liabilities. For this reason, the members continue to adopt the going concern basis in preparing the financial statements.

The group was acquired on the 1 April 2019 by Catalyst DebtCo Limited, whose ultimate controlling party is Catalyst TopCo Limited. The members are satisfied that the group continues to be a going concern at the date of signing of these financial statements, as it continues to post profit on an EBITDA basis and is adequately funded to meet its financial liabilities as they fall due, for a period of at least twelve months from the date of approval of these financial statements.

Qualifying third party indemnity provisions

The LLP has made qualifying third party indemnity provisions for the benefit of its designated members during the year. These provisions remain in force at the reporting date.

Policy with respect to members' drawings and subscription and repayments of amounts subscribed or otherwise contributed by members

Members are permitted to make drawings based on their allocation of historical profits, anticipation of future profits, working capital requirements and cash flow considerations. The amounts of such drawings is determined on a regular basis.

The profit of the LLP is automatically (expressed or implied) divided between the members at the end of the accounting period; as a result, the amount is charged as an expense and treated as a liability. The policies in relation to losses exist and are covered in the LLP agreement dated 1 June 2017.

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Policy with respect to members' drawings and subscription and repayments of amounts subscribed or otherwise contributed by members (continued)

Each member will contribute such amount to the capital of the LLP as determined in accordance with the provisions of the Remuneration, Capital and Loan Contribution Schedule. The Partners are not entitled to any interest on the contribution made by him to the capital of the LLP.

Post Balance Sheet Events

The group was acquired on the 1 April 2019 by Catalyst DebtCo Limited, whose ultimate parent company is Catalyst TopCo Limited.

Members' responsibilities statement

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

Company law, (as applied 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 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 company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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 the Group and of the profit or loss of the Group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by 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 LLP and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are members at the time when this Members' Report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the Group's auditor is unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

SIONIC ADVISORS GLOBAL HOLDINGS LLP

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Auditor

RSM UK Audit LLP has indicated its willingness to continue in office. Following the acquisition of Sionic Advisors Global Holdings LLP by Catalyst DebtCo Limited, the audit committee will propose a motion to appoint RSM UK Audit LLP as auditor of the group at its next meeting.



.....

Craig Sher

For and on behalf of Catalyst DebtCo Limited

6 September 2019

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIONIC ADVISORS GLOBAL HOLDINGS
LLP**

Opinion

We have audited the financial statements of Sionic Advisors Global Holdings LLP (the 'parent LLP') and its subsidiaries (the 'Group') for the year ended 31 December 2018, which comprise the Group Statement of Comprehensive Income, the Group and LLP Statements of Financial Position, the Group and LLP Reconciliation of Members' Interests, the Group Statement of Cash Flows, and the related notes, 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 Group's and of the parent LLP's affairs as at 31 December 2018 and of the Group's 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 Companies Act 2006) Regulations 2008.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent LLP'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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIONIC ADVISORS GLOBAL HOLDINGS
LLP (CONTINUED)**

Other information (continued)

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

We have nothing to report in this regard.

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 by the parent LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent LLP 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.

Responsibilities of members

As explained more fully in the Members' Responsibilities Statement on page 2, 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 Group's and the parent 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 Group or the parent LLP or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 Auditors' Report.

SIONIC ADVISORS GLOBAL HOLDINGS LLP

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIONIC ADVISORS GLOBAL HOLDINGS
LLP (CONTINUED)**

Use of our report

This report is made solely to the LLP's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications 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.

RSM UK Audit LLP

Tim Robinson (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

9 September 2019

SHONG ADVISORS GLOBAL HOLDINGS LLP

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 \$	2017 \$
Turnover	4	24,772,247	21,279,476
Cost of Sales		(14,687,215)	(13,028,798)
Gross profit		10,085,032	8,250,678
Administrative expenses		(4,187,316)	(3,446,156)
Operating profit		5,897,716	4,804,522
Interest payable and similar expenses	8	(92,252)	(34,128)
Profit on operating activities before taxation		5,805,464	4,770,394
Tax on profit on ordinary activities in corporate subsidiaries	9	(611,907)	(259,112)
Profit before members' remuneration and profit shares	5	5,193,557	4,511,282
Profit for the year before members' remuneration and profit shares		5,193,557	4,511,282
Members' remuneration charged as an expense		(5,193,557)	(4,511,282)
Profit for the financial year available for discretionary division among members		-	-
Other comprehensive income for the year			
Foreign exchange translation differences		(18,448)	7,416
Total comprehensive income for the year		(18,448)	7,416

The notes on pages 14 to 31 form part of these financial statements.

STONE ADVISORS GLOBAL HOLDINGS LLP
 17 FORT STREET, SUITE 2000, NEW YORK, NY 10038
 TEL: 212 512 2000 FAX: 212 512 2001
 WWW.STONEADVISORS.COM


**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

	Note	2018 \$	2017 \$
Fixed assets			
Intangible assets	10	42,957	-
Tangible assets	11	79,048	-
		<u>122,005</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	13	5,776,687	5,240,028
Cash at bank and in hand		1,907,421	1,185,323
		<u>7,684,108</u>	<u>6,425,351</u>
Creditors: amounts falling due within one year	14	(5,218,444)	(4,221,724)
Net current assets		<u>2,465,664</u>	<u>2,203,627</u>
Total assets less current liabilities		<u>2,587,669</u>	<u>2,203,627</u>
Net assets attributable to members		<u>2,587,669</u>	<u>2,203,627</u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as debt		25,000	21,000
Other amounts		2,573,701	2,175,211
		<u>2,598,701</u>	<u>2,196,211</u>
Equity			
Other reserves classified as equity		(11,032)	7,416
		<u>2,587,669</u>	<u>2,203,627</u>
Total members' interests			
Loans and other debts due to members		2,598,701	2,196,211
Amounts due from members (included in debtors)	13	(35,000)	(79,074)
Members' other interests		(11,032)	7,416
		<u>2,552,669</u>	<u>2,124,553</u>

SIGNATURES OF GLOBAL HOLDINGS LLP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2018

The financial statements on pages 7 to 31 were approved and authorised for issue by the members on 6 September 2019 and were signed on their behalf by:



.....
Richard Cowen
For and on behalf of Catalyst Debtco Limited

6 September 2019

The notes on pages 14 to 31 form part of these financial statements.

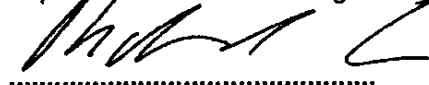
SENG Advisors Global Holdings LLC

LLP STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Note	2018 \$	2017 \$
Fixed assets			
Investments	12	5,000	5,000
		<u>5,000</u>	<u>5,000</u>
Current assets			
Debtors: amounts falling due within one year	13	25,000	21,000
		<u>25,000</u>	<u>21,000</u>
Creditors: amounts falling due within one year	14	(5,000)	(5,000)
		<u>(5,000)</u>	<u>(5,000)</u>
Net current assets		<u>20,000</u>	<u>16,000</u>
Total assets less current liabilities		<u>25,000</u>	<u>21,000</u>
Net assets attributable to members		<u>25,000</u>	<u>21,000</u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability		25,000	21,000
		<u>25,000</u>	<u>21,000</u>
Total members' interests			
Amounts due from members (included in debtors)	13	(25,000)	(21,000)
Loans and other debts due to members		25,000	21,000
		<u>-</u>	<u>-</u>

A separate statement of comprehensive income for the LLP has not been presented in accordance with the exemption given by section 408 of the Companies Act 2006 as applied to limited liability partnerships. The profit before members' remuneration and profit allocations dealt with in the financial statements of the parent entity was \$nil (2017: \$nil).

The financial statements on pages 7 to 31 were approved and authorised for issue by the members on 6 September 2019 and were signed on their behalf by:



Richard Cowen
For and on behalf of Catalyst Debtco Limited 6 September 2019

The notes on pages 14 to 31 form part of these financial statements.

**CONSOLIDATED RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	EQUITY Members' other interests Other reserves	Loans and other debts due to members less any amounts due from members in debtors	DEBT Members' capital (classified as debt)	Other amounts	Total	Total members' interests
	\$	\$	\$	\$	\$	\$
Balance at 1 January 2017	-	-	1,154,171	1,154,171	1,154,171	1,154,171
Members' remuneration charged as an expense	-	-	4,511,282	4,511,282	4,511,282	4,511,282
Members' interests after profit for the year	-	-	5,665,453	5,665,453	5,665,453	5,665,453
Foreign exchange on retranslation of foreign subsidiaries	7,416	-	-	-	-	7,416
Amounts introduced by members	-	21,000	(49,074)	(28,074)	(28,074)	(28,074)
Drawings	-	-	(3,520,242)	(3,520,242)	(3,520,242)	(3,520,242)
Amounts due to members			2,175,211	2,175,211		
Amounts due from members			(79,074)	(79,074)		
Balance at 31 December 2017	7,416	21,000	2,096,137	2,117,137	2,117,137	2,124,553
Members' remuneration charged as an expense	-	-	5,193,557	5,193,557	5,193,557	5,193,557
Members' interests after profit for the year	7,416	21,000	7,289,694	7,310,694	7,310,694	7,318,110
Foreign exchange on retranslation of foreign subsidiaries	(18,448)	-	-	-	-	(18,448)
Amounts introduced by members	-	4,000	(4,000)	-	-	-
Repayment of debt	-	-	28,321	28,321	28,321	28,321
Members advances	-	-	(10,000)	(10,000)	(10,000)	(10,000)
Other movement	-	-	29,754	29,754	29,754	29,754
Drawings	-	-	(4,795,068)	(4,795,068)	(4,795,068)	(4,795,068)
Amounts due to members			2,573,701	2,573,701		
Amounts due from members			(35,000)	(35,000)		
Balance at 31 December 2018	(11,032)	25,000	2,538,701	2,563,701	2,563,701	2,552,669

SIGNIS ADVISORS GLOBAL HOLDINGS LLP

**LLP RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	DEBT		
	Loans and other debts due to members less any amounts due from members in debtors		
	Members' capital (classified as debt) \$	Other amounts \$	Total \$
Balance on incorporation 22 May 2017	-	-	-
Members' interests after profit for the year	-	-	-
Amounts introduced by members	21,000	(21,000)	-
Amounts due from members		(21,000)	(21,000)
Balance at 31 December 2017	21,000	(21,000)	-
Members' interests after profit for the year	21,000	(21,000)	-
Amounts introduced by members	4,000	(4,000)	-
Amounts due from members		(25,000)	(25,000)
Balance at 31 December 2018	25,000	(25,000)	-

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
Profit for the financial year available for discretionary division among members for the financial year:	-	-
Adjustments for:		
Members' remuneration charged as an expense	5,193,557	4,511,282
Depreciation of tangible assets	26,294	-
Interest paid	92,252	34,128
Taxation charge	611,907	259,112
(Increase) in debtors	(580,734)	(2,552,665)
Increase/(decrease) in creditors	396,218	(328,728)
Corporation tax (paid)	(257,500)	(130,903)
Exchange currency translations	(18,448)	7,416
Net cash generated from operating activities before transactions with members	5,463,546	1,799,642
Cash flows from investing activities		
Purchase of intangible fixed assets	(42,957)	-
Purchase of tangible fixed assets	(105,342)	-
Net cash used in investing activities	(148,299)	-
Cash flows from financing activities		
Interest paid	(92,252)	(34,128)
Repayment of debt	28,321	(28,074)
Members advances	(10,000)	-
Other movement	29,754	-
Distribution paid to members	(4,795,068)	(3,520,242)
Net cash used in financing activities	(4,839,245)	(3,582,444)
Net increase/(decrease) in cash and cash equivalents	476,002	(1,782,802)
Cash and cash equivalents at beginning of year	(564,677)	1,218,125
Cash and cash equivalents at the end of year	(88,675)	(564,677)
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,907,422	1,185,323
Bank overdrafts	(1,996,097)	(1,750,000)
	(88,675)	(564,677)

The notes on pages 14 to 31 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. General Information

Sionic Advisors Global Holdings LLP ("the LLP") is a limited liability partnership and is incorporated in England and Wales. The Limited liability partnership was incorporated on 22 May 2017. The address of Sionic Advisors Global Holdings LLP's registered office is 2nd Floor, St Magnus House, 3 Lower Thames Street, London, England, EC3R 6HD.

The group consists of Sionic Advisors Global Holdings LLP and all of its subsidiaries.

The LLP's and the group's principal activities are disclosed in the Member's Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK 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 consolidated financial statements are prepared in US Dollars, which is also the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest \$.

The exchange rates used for translation of Canadian Dollars ("CAD"), Swiss Franc ("CHF"), EURO, Singaporean Dollars ("SGD"), Indian Rupee ("INR") and Pound Sterling ("GBP") transactions and balances in these financial statements are as follows:

	2018 CAD	2018 CHF	2018 EURO	2018 SGD	2018 INR	2018 GBP
Profit and loss account (average rate)	0.7716	1.0224	1.1810	0.7313	0.0160	1.3348
Balance sheet (year end date)	0.7330	1.0156	1.1438	0.7313	0.0143	1.2960

Reduced disclosures - LLP only

In accordance with FRS 102, Sionic Advisors Global Holdings LLP has taken advantage of the exemptions from the following disclosure requirements of the LLP only;

- Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.2 Basis of consolidation

The consolidated financial statements incorporate those of Sionic Advisors Global Holdings LLP and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). All financial statements are made up to 31 December 2018.

The consolidated financial statements incorporate the results of business combinations using the merger accounting method. Sionic Advisors Global Holdings LLP was incorporated on 22 May 2017 to act as the parent entity for entities having the same members with the same proportional interests in each entity and the relative interests of the members have been maintained in the parent. The members consider that the arrangement qualifies as a group reconstruction under FRS 102 and that the conditions for the use of merger accounting have been met. They therefore consider it appropriate to present consolidated information for the group as if the new legal structure had always existed.

Accordingly, assets and liabilities of the subsidiary undertakings and the results and cash flows have been included in the consolidated accounts as if Sionic Advisors Global Holdings LLP had always been the parent undertaking of the group. Under merger accounting, the carrying values of the assets and liabilities of the parties to the combination are not required to be adjusted to fair value, although appropriate adjustments are required to achieve uniformity of accounting policies.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

2.3 Going concern

The group's business activities, performance and position are set out in the review of the business in the member's report.

The group is a going concern with multiple client relationships of long standing which means that it has more than sufficient resources to meet its liabilities. For this reason the members continue to adopt the going concern basis in preparing the financial statements.

The group was acquired on the 1 April 2019 by Catalyst DebtCo Limited, whose ultimate controlling party is Catalyst TopCo Limited. The members are satisfied that the group continues to be a going concern at the date of signing of these financial statements, as it continues to post profit on an EBITDA basis and is adequately funded to meet its financial liabilities as they fall due, for a period of at least twelve months from the date of approval of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2.5 Turnover

Advisory fees are recognised on an accruals basis and in line with agreements in place. Revenue from fixed price contracts for the provision of services is recognised by reference to the stage of completion. The stage of completion is calculated by comparing costs incurred as a proportion of total costs. Turnover is shown net of Value Added Tax, net of disbursements recharged to customers.

2.6 Operating leases

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

2.7 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.9 Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the LLP is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

Defined contribution plans

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated 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 Group in independently administered funds.

2.10 Taxation

The charge for taxation is based on the profit for the year of the group companies.

The taxation payable on the partnership profits is solely the personal liability of the individual members consequently neither the partnership taxation nor the related deferred taxation arising in respect of the partnership are accounted for in these financial statements.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised to profit and loss on a straight-line basis over their useful lives, as follows:

Trademarks - Over 10 years

The members consider the useful life to be an appropriate estimation of the period of use from the intangible asset.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.12 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.

Depreciation is provided on the following basis:

Computer equipment	- 33%
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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 in the Consolidated Statement of Comprehensive Income.

2.13 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the LLP. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2.14 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.

Bank overdrafts are shown in current liabilities.

2.15 Financial instruments

The LLP has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets are classified into either basic or other financial assets. The classification depends on certain criteria determined at the time of recognition.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.15 Financial instruments (continued)

Basic financial assets

Basic financial assets, which include trade, other debtors, amounts due from members and group undertakings are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost being the transaction price less any amounts settled and any impairment losses.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

2.16 Financial liabilities

Financial liabilities are classified as either basic or other financial liabilities.

Basic financial liabilities

Basic financial liabilities including trade, other payables, bank line of credit, amounts due to group undertakings and accruals, are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's obligations are discharged, cancelled, or they expire.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.17 Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

Profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment and the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense and presented as members remuneration charged as an expense in arriving at the result for the relevant year. To the extent that they remain unpaid at the period end, they are shown as liabilities.

The largest entitlement is calculated as an allocation of profits using an agreed points system after all other allocations of profits to partners have been made.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment. Amounts payable to members under employment contracts and unavoidable interest on members' capital are charged to "members remuneration charged as an expense" in the relevant year.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits or losses, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

The members' participation rights that are classified as liabilities are repayable upon demand, or at short notice (e.g. upon termination of membership), and as such whilst they are financing transactions, the effect of discounting is considered immaterial and so they are not discounted to present value.

Members are permitted to make drawings based on their allocation of historical profits, anticipation of future profits, working capital requirements and cash flow considerations. The amounts of such drawings is determined on a regular basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The critical areas of judgement are detailed below.

Impairment of assets

Financial and non-financial assets are subject to impairment reviews based on whether current or future events and circumstances suggest that their recoverable amount may be less than their carrying value. Recoverable amount is based on the higher of the value in use and fair value less costs to dispose. Value in use is calculated from expected future cash flows using suitable discount rates and includes management assumptions and estimates of future performance.

Operating lease commitments

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred.

4. Turnover

The group's turnover is derived from its principal activity.

Analysis of turnover by country of destination:

	2018 \$	2017 \$
United States	16,336,685	15,153,786
Canada	2,884,278	3,193,569
United Kingdom	2,810,508	2,220,725
Rest of the world	1,909,322	687,750
Rest of Europe	831,454	23,646
	<u>24,772,247</u>	<u>21,279,476</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Profit before members' remuneration and profit share

The profit before members' remuneration and profit share is stated after charging:

	2018 \$	2017 \$
Depreciation	26,294	-
Operating lease costs	353,454	251,413
Foreign exchange loss	156,206	23,722
Auditors' remuneration	32,000	30,000
Other services provided by the group auditor:		
- Accounts preparation of the group	-	4,500
- Non-audit advisory services	34,254	-
- Non-audit compliance services	49,586	-

6. Employees

Staff costs were as follows:

	Group 2018 \$	Group 2017 \$	LLP 2018 \$	LLP 2017 \$
Wages and salaries	6,313,929	6,073,283	-	-
Social security costs	614,176	561,559	-	-
Cost of defined contribution scheme	138,824	8,682	-	-
	<u>7,066,929</u>	<u>6,643,524</u>	<u>-</u>	<u>-</u>

SIONG ADVISORS GLOBAL HOLDINGS LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. Information in relation to members

	2018 Number	2017 Number
The average number of members during the year was	<u>12</u>	<u>7</u>
	2018 \$	2017 \$
The amount of profit attributable to the member with the largest entitlement was	<u>637,638</u>	<u>668,614</u>

8. Interest payable and similar expenses

	2018 \$	2017 \$
Bank interest payable	92,252	34,128
	<u>92,252</u>	<u>34,128</u>

9. Taxation

	2018 \$	2017 \$
Corporation tax		
Current tax on profits for the year	-	29,919
	<u>-</u>	<u>29,919</u>
Foreign tax		
Foreign tax on income for the year	611,907	229,193
Total current tax	<u>611,907</u>	<u>259,112</u>

SIONIC ADVISORS GLOBAL HOLDINGS LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Intangible assets**Group**

	Trademarks \$
Cost	
At 1 January 2018	-
Additions	42,957
	<u>42,957</u>
At 31 December 2018	<u>42,957</u>
Net book value	
At 31 December 2018	<u>42,957</u>
At 31 December 2017	<u>-</u>

Amortisation of intangible assets is included in administrative expenses.

11. Tangible fixed assets**Group**

	Computer equipment \$
Cost or valuation	
At 1 January 2018	-
Additions	105,342
	<u>105,342</u>
At 31 December 2018	<u>105,342</u>
Depreciation	
Depreciation charged in the year	26,294
	<u>26,294</u>
At 31 December 2018	<u>26,294</u>
Net book value	
At 31 December 2018	<u>79,048</u>
At 31 December 2017	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

12. Fixed asset investments**LLP**

	Investments in subsidiary companies \$
Cost or valuation	
At 1 January 2018	5,000
At 31 December 2018	5,000
Net book value	
At 31 December 2018	5,000
At 31 December 2017	5,000

SIONIC ADVISORS GLOBAL HOLDINGS LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

12. Fixed asset investments**Direct subsidiary undertakings**

The LLP's subsidiary undertakings which are included within the group consolidation are as follows:

Name	Holding	Principal activity	Class of holding
Sionic Advisors (European Branches) LLP	100%	Providing consultancy services	Member's capital
Sionic Advisors (UK) LLP	100%	Providing consultancy services	Member's capital
Sionic Advisors (SINGAPORE) LLP	100%	Providing consultancy services	Member's capital
Sionic Advisors (US) LLP	100%	Providing consultancy services	Member's capital
Sionic Advisors (Canada) LLP	100%	Providing consultancy services	Member's capital

Indirect Subsidiary undertakings

The following were subsidiary undertakings of the LLP:

Name	Holding	Principal activity	Class of holding
Sionic European Holdings Limited	100%	Providing consultancy services	Ordinary shares
Sionic Advisors Europe Limited	100%	Providing consultancy services	Ordinary shares
Sionic Advisors Inc	100%	Providing consultancy services	Ordinary shares
Sionic Advisors LP	99%	Providing consultancy services	Member's capital

SIONIC ADVISORS GLOBAL HOLDINGS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

12. Fixed asset investments (continued)

The registered office address of the LLP's direct holdings subsidiary undertakings, Sionic European Holdings Limited and Sionic Advisors Europe Limited is 111 Old Broad Street, London, EC2N 1AP.

Sionic Advisors Inc is indirectly held through the investment in Sionic Advisors (Canada) LLP. Sionic Advisors (Canada) LLP was incorporated on 25 May 2017. The registered office address of Sionic Advisors Inc is 8 King Street, Suite 838, Toronto, ON, M5C 1B5.

Sionic Advisors LP is indirectly held through the investment in Sionic Advisors (US) LLP. Sionic Advisors (US) LLP was incorporated on 25 May 2017. The registered office address of Sionic Advisors LP is 15 Exchange Place, Suite 500, Jersey City, NJ, 07302.

Sionic Advisors Europe Limited is indirectly held through the investment in Sionic Advisors (UK) LLP. Sionic Advisors (UK) LLP was incorporated on 25 May 2017.

Sionic European Holdings Limited was incorporated on 24 April 2017 and is indirectly held through the investment in Sionic Advisors (European Branches) LLP. Sionic Advisors (European Branches) LLP was incorporated on 25 May 2017.

Sionic Advisors (European Branches) LLP (co. no. 417507), Sionic Advisors (UK) LLP (co. no. 417511), Sionic Advisors (SINGAPORE) LLP (co. no. 419288), Sionic Advisors (US) LLP (co. no. 417509), Sionic Advisors (Canada) LLP (co. no. 417508), Sionic Advisors Europe Limited (co. no. 09762818), Sionic European Holdings Limited (co. no. 10736768), Sionic Advisors Inc (co. no. 002438457), and Sionic Advisors LP (Employer ID. 81-1777492) are exempt from the requirement for audit under section 479A of the Companies Act 2006.

SIONIC ADVISORS GLOBAL HOLDINGS LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. Debtors

	Group 2018 \$	Group 2017 \$	LLP 2018 \$	LLP 2017 \$
Trade debtors	5,261,540	4,583,044	-	-
Other debtors	306,464	462,550	-	-
Prepayments and accrued income	173,683	115,360	-	-
Amounts due from members	35,000	79,074	25,000	21,000
	<u>5,776,687</u>	<u>5,240,028</u>	<u>25,000</u>	<u>21,000</u>

14. Creditors: Amounts falling due within one year

	Group 2018 \$	Group 2017 \$	LLP 2018 \$	LLP 2017 \$
Bank overdrafts	1,996,097	1,750,000	-	-
Trade creditors	1,408,139	1,380,593	-	-
Amounts owed to group undertakings	-	-	5,000	5,000
Corporation tax	482,616	128,209	-	-
Other taxation and social security	289,558	119,645	-	-
Other creditors	85,044	42,711	-	-
Accruals and deferred income	956,990	800,566	-	-
	<u>5,218,444</u>	<u>4,221,724</u>	<u>5,000</u>	<u>5,000</u>

SIONIC ADVISORS GLOBAL HOLDINGS LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

15. Financial instruments

	Group 2018 \$	Group 2017 \$	LLP 2018 \$	LLP 2017 \$
Financial assets				
Financial assets that are debt instruments measured at amortised cost	5,674,262	5,124,668	25,000	21,000
Equity investments measured at amortised cost	-	-	5,000	5,000
Financial liabilities				
Financial liabilities measured at amortised cost	2,450,174	2,223,870	(30,000)	(26,000)

16.**Related party transactions**

The remuneration of key management personnel is as follows:

	Group 2018 \$	Group 2017 \$
Aggregate compensation	1,995,992	1,719,551

The LLP and the group have taken advantage of the exemption conferred by FRS 102 section 33 that wholly owned subsidiary undertakings whose voting rights are controlled within the group need not disclose transactions with other group companies.

Transactions with 99% owned subsidiary undertakings were not disclosed on the basis that the amounts of transactions with 1 % subsidiary undertakings owned outside the group are not material.

Entities under common control:

Amounts due from entities under common control:

Sionic Advisors Financial Services LLC	\$nil (2017:\$1,500)
Sionic Advisors LLC	\$131,485 (2017:\$132,485)

These balances are shown gross within other debtors.

Sionic Advisors LLC received \$4,035,153 (2017: \$4,781,792) on behalf of the group during the year and paid \$4,036,153 (2017: \$5,004,478) to the group.

SIONIC ADVISORS GLOBAL HOLDINGS LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

17. Members' interests

In the event of winding up, members' other reserves rank after unsecured creditors and loans and other debts due to members ranking pari passu with unsecured creditors.

Members' interests represent the following amounts:

Other reserves

Amounts related to foreign exchanges revaluation of foreign subsidiaries' assets and liabilities.

Loans and other debts due to members less any amounts due from members

Amounts represent automatic division of profit, amounts contributed by the members, guaranteed payments and drawings allocated to members.

18. Commitments under operating leases

At 31 December 2018 the Group and the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2018 \$	Group 2017 \$
Land and Building		
Not later than 1 year	256,866	274,246
Later than 1 year and not later than 5 years	398,081	666,218
	<u>654,947</u>	<u>940,464</u>

The LLP had no commitments under non-cancellable operating leases at the reporting date.

19. Retirement benefit schemes

Defined contribution schemes:

The group makes contributions to certain employees' personal pension plans. The pension cost for the year was \$138,824 (2017: \$8,682). Contributions of \$2,982 (2017: \$8,682) were outstanding at the year end and are included in creditors.

20. Post balance sheet events

The group was acquired on the 1 April 2019 by Catalyst DebtCo Limited, whose ultimate parent company is Catalyst TopCo Limited.

SIONIC ADVISORS GLOBAL HOLDINGS LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

21. Controlling party

At balance sheet date, there is no ultimate controlling party of Sionic Advisors Global Holdings LLP as no one member alone has controlling interest.

Following the acquisition of the group by Catalyst DebtCo Limited on 1 April 2019, the members consider there to be no ultimate controlling party.