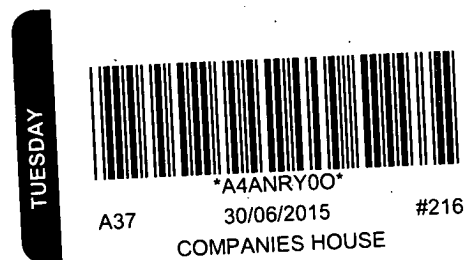


**PERRY CAPITAL LIMITED
AND SUBSIDIARY UNDERTAKING**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**



LINDEYER FRANCIS FERGUSON
CHARTERED ACCOUNTANTS



PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

COMPANY INFORMATION

Directors	R C Perry R Borkenstein
Secretary	L Walsh
Company number	03505741
Registered office	4 Grosvenor Place London SW1X 7HJ
Auditors	Lindeyer Francis Ferguson Limited North House 198 High Street Tonbridge Kent TN9 1BE
Bankers	National Westminster Bank plc PO Box 4QQ 19 Shaftesbury Avenue London W1A 4QQ Bank of America US Trust PO Box 25118 Tampa FL 33622-5118 USA

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

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PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present the strategic report and group financial statements for the year ended 31 December 2014.

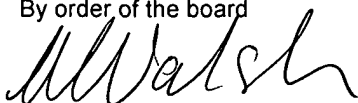
Review of the business

The principal activities of the group continue to be the provision of investment research and investment advisory services for a related company and investment management services for funds managed by related parties. The company is the holding company for its subsidiary, Perry Capital UK LLP.

2014 was a challenging year for the group. Turnover was down year on year from £10,630,269 to £4,251,925 as a result of weaker fee income largely resulting from weaker investment returns. Profit before tax decreased from £1,801,660 to £1,233,950. Despite weaker performance the business remains profitable, retains a strong capital base with net assets of £3,676,183, before the post year end allocation to the LLP members, and has a substantial buffer over the regulatory capital requirement. The Pillar 3 Disclosure Statement in the accounts of Perry Capital UK LLP gives more details regarding the regulated entity.

The group is well positioned for the year ahead; however, markets are as challenging as ever. Investment performance remains the primary uncertainty but it is key to driving higher revenue. Generating sufficient revenue to cover fixed costs should be insulated from the volatility of performance due to management fees received resulting ultimately from the amount of assets under management. Consistent poor investment performance, amongst other factors, could result in redemptions from funds which ultimately could lead to significantly reduced management fees. However, there is currently a significant buffer before that would impact on the fixed cost base of the group.

By order of the board



L Walsh

Secretary

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and consolidated financial statements for the year ended 31 December 2014.

Principal activities

The principal activities of the group continue to be the provision of investment research and investment advisory services for a related company and investment management services for funds managed by related parties. The company is the holding company for its subsidiary, Perry Capital UK LLP.

Results and dividends

The results for the year are set out on page 6. A dividend of £428,820 was paid during the year (2013: £271,771).

Future Developments

There are no significant future developments planned for the group. The goals continue to be the same, which is to protect investor capital and drive revenues via investment performance.

Directors and their interests

The following directors have held office since 1 January 2014:

R C Perry
R Borkenstein

Mr Perry is the sole shareholder of Perry Corp., which owns 40% of Perry Capital LLC which is the immediate parent company of Perry Capital Limited. Mr Borkenstein is an Associate Member of International Investment Management LLC, the ultimate holding company.

Financial risk management

The group has an established risk management process in order to ensure that it has effective systems and controls in place to identify, monitor and manage risks arising in the business. Appropriate action is taken where risks are identified which fall outside of the firm's risk tolerance levels or where the need for remedial action is required in respect of identified weaknesses in the firm's mitigating controls.

The group does not enter into any financial instruments except for occasional money market deposits and is not materially exposed to either price risk or interest rate cash flow risk.

The main credit risk to which the firm is exposed is in respect of its debtors. However, the primary debtor is the US parent with regards to fees and there has not been a history of bad debts, as such the counterparty credit risk is considered to be minimal. In relation to deposits with banks, consideration is made as to the credit worthiness of the financial institution to which monies are placed and again credit risk is considered to be minimal.

The group has always had sufficient liquidity within the business to meet its obligations and there are no perceived threats to this. The cash position of the firm is monitored by senior management on a monthly basis.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors 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 the directors must not approve the financial statements unless they are satisfied

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

that they a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

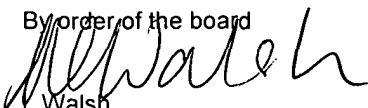
Statement of disclosure to auditor

- a) So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Lindeyer Francis Ferguson Limited, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

By order of the board


L. Walsh
Secretary

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PERRY CAPITAL LIMITED

We have audited the financial statements of Perry Capital Limited and its subsidiary undertaking for the year ended 31 December 2014 set out on pages 6 to 15. 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, 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 Directors' Responsibilities Statement set out on page 2, the directors 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 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 Board'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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read the financial and non-financial information in the directors' 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 company's and group's affairs as at 31 December 2014 and of the group's 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

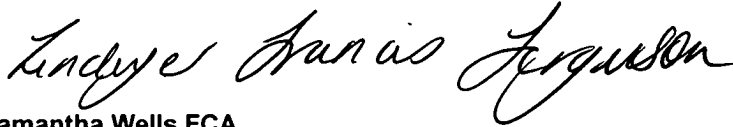
PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF PERRY CAPITAL LIMITED

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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Samantha Wells FCA
(Senior Statutory Auditor)
For and on behalf of Lindeyer Francis Ferguson Limited
Chartered Accountants
Statutory Auditor

North House
198 High Street
Tonbridge
Kent
TN9 1BE

15 May 2015

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Turnover	2	4,251,925	10,630,269
Administrative expenses		(3,038,222)	(8,839,775)
Operating profit	3	1,213,703	1,790,494
Interest receivable	4	20,247	11,166
Interest payable		-	-
Profit on ordinary activities before taxation		1,233,950	1,801,660
Tax on profit on ordinary activities	5	(165,288)	(67,438)
Minority interest - equity interests		(185,114)	(188,670)
Profit on ordinary activities after taxation	15	<u>883,548</u>	<u>1,545,552</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

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PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	Group 2014 £	2013 £	Company 2014 £	2013 £
Fixed assets					
Tangible fixed assets	7	42,031	74,441	-	-
Fixed asset investments	8	131,096	131,096	2,612,320	2,612,320
		<u>173,127</u>	<u>205,537</u>	<u>2,612,320</u>	<u>2,612,320</u>
Current assets					
Debtors	9	2,946,136	8,953,059	63,359	166,671
Cash at bank and in hand		2,486,600	2,482,966	11,005	777
		<u>5,432,736</u>	<u>11,436,025</u>	<u>74,364</u>	<u>167,448</u>
Creditors: amounts falling due within one year	10	(1,918,557)	(7,347,083)	(61,679)	(114,885)
Net current assets		<u>3,514,179</u>	<u>4,088,942</u>	<u>12,685</u>	<u>52,563</u>
Total assets less current liabilities		<u>3,687,306</u>	<u>4,294,479</u>	<u>2,625,005</u>	<u>2,664,883</u>
Creditors: amounts falling due on more than one year	11	(6,023)	(10,905)	-	-
Minority Interest - equity interests		(5,100)	(5,100)	-	-
Net assets		<u><u>3,676,183</u></u>	<u><u>4,278,474</u></u>	<u><u>2,625,005</u></u>	<u><u>2,664,883</u></u>
Capital and reserves					
Share capital	14	1,021,000	1,021,000	1,021,000	1,021,000
Profit and loss account	15	2,655,183	3,257,474	1,604,005	1,643,883
Shareholders' funds - equity interests	16	<u><u>3,676,183</u></u>	<u><u>4,278,474</u></u>	<u><u>2,625,005</u></u>	<u><u>2,664,883</u></u>

The financial statements were approved by the Board on 15 May 2015



R Borkenstein
Director

Company registration no. 03505741

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Net cash inflow from operating activities	23	<u>1,764,449</u>	<u>2,833,363</u>
Returns on investments and servicing of finance:			
Bank and other interest received		<u>20,247</u>	<u>11,166</u>
Net cash inflow for returns on investments and servicing of finance		<u>20,247</u>	<u>11,166</u>
Taxation		(106,996)	(116,999)
Equity dividends paid		<u>(428,820)</u>	<u>(271,771)</u>
		<u>(535,816)</u>	<u>(388,770)</u>
Capital expenditure and financial investments:			
Payments to acquire tangible fixed assets		<u>(3,113)</u>	<u>(11,390)</u>
Net cash outflow for capital expenditure		<u>(3,113)</u>	<u>(11,390)</u>
Net cash inflow before management of liquid resources and financing		<u>1,245,767</u>	<u>2,444,369</u>
Financing			
Discretionary allocation of prior year profits to minority interests		(1,057,019)	(2,104,458)
Capital received from/(returned to) minority interests		-	(5,001)
Non-discretionary allocation of current year profits to minority interests		<u>(185,114)</u>	<u>(188,670)</u>
Net cash outflow from financing		(1,242,133)	(2,298,129)
Increase/(decrease) in cash in the year	24	<u><u>3,634</u></u>	<u><u>146,240</u></u>

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Basis of consolidation

These financial statements consolidate the accounts of Perry Capital Limited with those of its subsidiary undertaking, Perry Capital UK LLP, a limited liability partnership, registered in England and Wales.

Perry Capital Limited is the controlling member of Perry Capital UK LLP which provides investment management services to other group undertakings.

1.4 Taxation

Perry Capital UK LLP is not subject to taxation as a body, but its members are taxable as individuals. Accordingly, tax is only provided on profits of the holding company, which are within the charge to Corporation Tax. Payments of tax on behalf of other partners of the limited partnership are accounted for as partnership drawings.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold land and buildings	Over the period to the first break clause in the lease
Office furniture	25% per annum on the reducing balance
Fixtures, fittings and equipment	25% per annum on cost

1.6 Leasing

Perry Capital UK LLP entered into a new lease agreement during the year ended 31 December 2011 on the existing and additional office accommodation. The terms of the original lease were varied and an additional period of reduced rent for the original offices as well as for the new office space was provided in the new lease as an incentive to take on the lease. The value of this incentive is being allocated to the profit and loss account over the term of the lease to the first break clause in force when the lease was signed.

1.7 Investments

Fixed asset investments are stated at cost less any provision for diminution in value.

1.8 Pensions

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund.

1.9 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2.0 Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rates ruling at the date of the transaction.

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

2 Turnover

Turnover is attributable to two continuing activities: the provision of investment advisory services; and the provision of investment management services. Turnover represents amounts receivable for services provided net of value added tax.

The total turnover of the group for the past year has been derived from the principal activities wholly undertaken in the United Kingdom, comprising services supplied to group companies based in the United States of America.

3 Operating profit

	2014 £	2013 £
Operating profit is stated after charging (crediting):		
Depreciation of tangible assets	35,055	54,497
Adjustment on disposal of fixed assets	468	-
Exchange (gains) / losses	(63,496)	48,698
Operating lease rentals	176,352	166,707
Auditor's remuneration	18,635	17,100
Auditor's remuneration for accounting services	29,605	29,827

4 Interest receivable

	2014 £	2013 £
Bank interest received	20,106	10,986
Other interest receivable	141	180
	<u>20,247</u>	<u>11,166</u>

5 Taxation

	2014 £	2013 £
Domestic current year tax		
U.K. corporation tax	62,855	166,531
Adjustment for prior years	(879)	(60,410)
Current tax charge	<u>61,976</u>	<u>106,121</u>
Deferred tax		
Deferred tax charge / (credit) for the year	103,312	(100,803)
Tax on profit on ordinary activities	<u>165,288</u>	<u>67,438</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>1,233,950</u>	<u>1,801,660</u>
Profit on ordinary activities before taxation multiplied by standard rates of UK corporation tax of 21% (2013: 23%)	<u>259,130</u>	<u>414,382</u>
Effects of:		
Profits of the limited liability partnership not within the charge to UK Corporation Tax	(259,622)	(415,850)
Timing difference on allocation of LLP profits	63,359	166,671
Adjustments to previous periods	(879)	(60,410)
Other tax adjustments	(12)	1,328
	<u>(197,154)</u>	<u>(308,261)</u>
Current tax charge	<u>61,976</u>	<u>106,121</u>

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

6 Profit for the financial year

As permitted by section 408 of the Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2014 £	2013 £
Holding company's profit for the financial year	<u>388,942</u>	<u>274,604</u>

7 Tangible fixed assets

Group	Leasehold improvements £	Office furniture £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2014	204,740	178,075	177,184	559,999
Additions	-	-	3,113	3,113
Disposals	-	(27,704)	(7,123)	(34,827)
At 31 December 2014	<u>204,740</u>	<u>150,371</u>	<u>173,174</u>	<u>528,285</u>
Depreciation				
At 1 January 2014	191,065	152,139	142,354	485,558
Charge for the year	13,675	6,420	14,960	35,055
On disposals	-	(27,236)	(7,123)	(34,359)
At 31 December 2014	<u>204,740</u>	<u>131,323</u>	<u>150,191</u>	<u>486,254</u>
Net book value				
At 31 December 2014	<u>-</u>	<u>19,048</u>	<u>22,983</u>	<u>42,031</u>
At 31 December 2013	<u>13,675</u>	<u>25,936</u>	<u>34,830</u>	<u>74,441</u>

The company has no tangible fixed assets.

8 Fixed asset investments

Group	Works of Art £	Total £
Cost		
At 1 January 2014 and at 31 December 2014	<u>131,096</u>	<u>131,096</u>
Company	Perry Capital UK LLP £	Total £
Cost		
At 1 January 2014 and at 31 December 2014	<u>2,612,320</u>	<u>2,612,320</u>

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

9 Debtors	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Amounts owed by associated undertakings	2,698,177	8,559,969	-	-
Other debtors	90,922	131,635	-	-
Prepayments and accrued income	93,678	94,784	-	-
Deferred tax asset (note 12)	63,359	166,671	63,359	166,671
	<u>2,946,136</u>	<u>8,953,059</u>	<u>63,359</u>	<u>166,671</u>

10 Creditors: amounts falling due within one year	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	38,833	143,739	-	-
Amounts due to subsidiary undertaking	-	-	-	8,187
Other taxes and social security costs	23,695	24,861	-	-
Corporation tax payable	60,480	105,499	60,480	105,499
Other creditors	-	5,001	-	-
Accruals and deferred income	1,795,549	7,067,983	1,199	1,199
	<u>1,918,557</u>	<u>7,347,083</u>	<u>61,679</u>	<u>114,885</u>

11 Creditors: amounts falling due in more than one year	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Deferred income	<u>6,023</u>	<u>10,905</u>	<u>-</u>	<u>-</u>

The amounts shown above relate to contributions received from customers for the purchase and use of computer and office equipment. The contributions are taken to the profit and loss account over the useful life of the assets involved. Included in current liabilities is an amount of £7,409 (2013: £8,692) which falls due within one year.

12 Provisions for liabilities	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
The deferred tax asset is made up as follows:				
At 1 January 2014	(166,671)	(127,988)	(166,671)	(127,988)
Profit and loss account	<u>103,312</u>	<u>(38,683)</u>	<u>103,312</u>	<u>(38,683)</u>
At 31 December 2014	<u>(63,359)</u>	<u>(166,671)</u>	<u>(63,359)</u>	<u>(166,671)</u>
Other timing differences	<u>(63,359)</u>	<u>(166,671)</u>	<u>(63,359)</u>	<u>(166,671)</u>

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

13 Pension contributions

Defined contribution

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund.

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Contributions payable by the group for the year	141,672	152,702	-	-
Accrued contributions unpaid at the year end	94,001	99,591	-	-

14 Share capital

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Allotted, called up and fully paid 1,021,000 Ordinary shares of £1 each	1,021,000	1,021,000	1,021,000	1,021,000

15 Statement of movements on profit and loss account

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Profit and loss account				
Balance at 1 January 2014	3,257,474	4,088,151	1,643,883	1,641,050
Retained profit for the year	883,548	1,545,552	388,942	274,604
Allocation of profits to minority interests	(1,057,019)	(2,104,458)	-	-
Dividends	(428,820)	(271,771)	(428,820)	(271,771)
Balance at 31 December 2014	2,655,183	3,257,474	1,604,005	1,643,883

16 Reconciliation of movements in shareholders' funds

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Profit for the financial year	883,548	1,545,552	388,942	274,604
Allocation of prior year profits to minority interests	(1,057,019)	(2,104,458)	-	-
Dividends	(428,820)	(271,771)	(428,820)	(271,771)
Net (depletion of) / addition to shareholders' funds	(602,291)	(830,677)	(39,878)	2,833
Opening shareholders' funds	4,278,474	5,109,151	2,664,883	2,662,050
Closing shareholders' funds	3,676,183	4,278,474	2,625,005	2,664,883

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

17 Financial commitments

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Land and buildings				
Expiry date:				
Between one and two years	158,000	-	-	-
Between two and five years	-	158,000	-	-

18 Directors' emoluments

No directors emoluments were paid during the year.

19 Employees

The average monthly number of employees (including directors and members) during the year was:

	Group		Company	
Number of employees	2014	2013	2014	2013
Directors	2	2	2	2
Research and analysts	4	4	-	-
Trading	1	1	-	-
Administration	3	3	-	-
	10	10	2	2

	£	£	£	£
Employment costs				
Wages and salaries	2,133,262	7,593,871	-	-
Social security costs	137,752	184,633	-	-
Other pension costs	141,672	152,702	-	-
	2,412,686	7,931,206	-	-

20 Control

The company is a wholly owned subsidiary of Perry Capital LLC, a company registered in the USA. The ultimate holding company is International Investment Management LLC, a company registered in the State of Delaware, USA. The ultimate controlling party is Richard C Perry.

PERRY CAPITAL LIMITED AND SUBSIDIARY UNDERTAKING

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

21 Related party transactions

During the year the company and its subsidiary undertaking charged Perry Capital LLC, the immediate parent company, for investment advisory and management services amounting to £4,243,442 (2013: £10,619,270).

At the balance sheet date the net amount receivable from Perry Capital LLC was £2,698,177 (2013: £8,559,969).

During the year Perry Capital UK LLP incurred costs on behalf of the funds managed by the Perry Group. The total amount of the costs incurred and recovered from the funds was £428,655 (2013: £437,886).

At the balance sheet date the amount receivable from the funds was £68,731 (2013: £97,350).

22 Post balance sheet events

Since the year end, Perry Capital UK LLP made a discretionary allocation of profits to its members for the year ended 31 December 2013 amounting to £1,051,178 (2013: £1,613,591).

The profit allocated to Perry Capital Limited amounted to £344,577 (2013: £556,572).

23 Reconciliation of operating profit to net cash inflow/(outflow) from operating activities

	2014 £	2013 £
Operating profit	1,213,703	1,790,494
Depreciation of tangible assets	35,055	54,497
Loss on disposal of tangible assets	468	-
Decrease/(increase) in debtors	5,903,612	(2,366,290)
(Decrease)/increase in creditors within one year	(5,383,507)	3,359,757
Decrease in creditors due after more than one year	(4,882)	(5,095)
Net cash inflow from operating activities	1,764,449	2,833,363

24 Analysis of net funds

	At 1 January 2014 £	Cash flow £	At 31 December 2014 £
Net cash and bank balances:			
Company	777	10,228	11,005
Subsidiary undertaking	2,482,189	(6,594)	2,475,595
Net funds - group	2,482,966	3,634	2,486,600

25 Reconciliation of net cash to movement in net funds

	Group 2014 £	2013 £	Company 2014 £	2013 £
Opening net funds	2,482,966	2,336,726	777	46,305
Increase/(decrease) in the year	3,634	146,240	10,228	(45,528)
Closing net funds	2,486,600	2,482,966	11,005	777