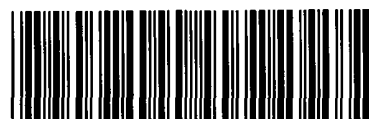


REGISTERED NUMBER: 05956237

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017  
FOR  
VISOR CAPITAL (UK) LIMITED**

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**VISOR CAPITAL (UK) LIMITED**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>3 to 4</b>
<b>Report of the Independent Auditors</b>	<b>5 to 6</b>
<b>Income Statement</b>	<b>7</b>
<b>Other Comprehensive Income</b>	<b>8</b>
<b>Balance Sheet</b>	<b>9</b>
<b>Statement of Changes in Equity</b>	<b>10</b>
<b>Cash Flow Statement</b>	<b>11</b>
<b>Notes to the Cash Flow Statement</b>	<b>12</b>
<b>Notes to the Financial Statements</b>	<b>13 to 18</b>

**VISOR CAPITAL (UK) LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

---

**DIRECTORS:**

S Resegotti  
A Andrijanovs  
A Patel

**REGISTERED OFFICE:**

96 Great Titchfield Street  
London  
W1W 6SQ

**REGISTERED NUMBER:**

05956237

**AUDITORS:**

Wilkins Kennedy LLP  
Statutory Auditor  
Chartered Accountants  
Bridge House  
London Bridge  
London  
SE1 9QR

**VISOR CAPITAL (UK) LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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The directors present their strategic report for the year ended 31 December 2017.

**REVIEW OF BUSINESS**

Visor Capital (UK) Limited ("VCUK") is authorised and regulated by the Financial Conduct Authority ("FCA") in the United Kingdom ("UK"). Visor Capital (UK) Ltd is a member of the London Stock Exchange.

VCUK currently trades on an agency-only basis for per se professional clients only (including hedge funds and institutions based primarily in the UK, Europe and Russia) which are interested in securities listed in London with an interest in Kazakhstan and Central Asia. VCUK has successfully launched its fixed income trading business which brings significant income.

VCUK adopted new business strategy model which presumes the increase of presence in Emerging Markets to be able to deliver best research in any region to final clients.

VCUK constantly works on cost optimisation and has cost-efficient execution and settlements desks.

In the next five years, we expect that clients' interest in the region will begin to develop again. We will continue to work with our client base across UK, Europe and Russia with a focus on higher volume of trades and contribution to the top line from commission sharing agreements and investment banking agreements. We will increase our marketing activity to attract new clients.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risk is an uncertainty faced by the company due to volatility of revenue flows. This is mitigated by proactive management of the firm's cost base and its regulatory capital and by ongoing financial support from the company's parent.

**KEY PERFORMANCE INDICATORS**

The key performance indicators for the year ended 31 December 2017, with comparatives are stated below:

	2017	2016
	£	£
Turnover	1,631,401	866,438
Net profit/(loss)	476,715	435,438
Return on Assets	40.8%	63.1%

**ON BEHALF OF THE BOARD:**



.....  
A Patel

Date: 18/4/2018

**VISOR CAPITAL (UK) LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

---

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of an agent dealing in listed stocks.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2017.

**DIRECTORS**

S Resegotti has held office during the whole of the period from 1 January 2017 to the date of this report.

Other changes in directors holding office are as follows:

A Andrijanovs - appointed 13 January 2017

A Patel - appointed 7 June 2017

**FINANCIAL INSTRUMENTS**

The company's financial instruments at the balance sheet date comprised cash and liquid resources. The main purpose of these financial instruments is to provide finance for the company's operations.

It is, and has been throughout the period under review, the company's policy that no trading in financial instruments for its own account shall be undertaken.

**Liquidity risk**

The company has significant net cash balances as at the balance date and pursues active working capital management policies to maximise liquid resources.

**Foreign currency risk**

The company has financial instruments which are denominated in US dollars and in euros. The gains and losses arising from the company's exposure are recognised in the profit and loss account.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and 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 that they give 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 these financial statements, the directors 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;
- 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 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

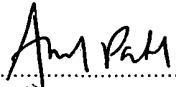
**VISOR CAPITAL (UK) LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**AUDITORS**

The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
.....  
A Patel

Date: 18/04/2018

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VISOR CAPITAL (UK) LIMITED

---

### Opinion

We have audited the financial statements of Visor Capital (UK) Limited (the 'company') for the year ended 31 December 2017 on pages seven to eighteen. 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).

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 a Report of the Auditors 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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, 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.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
VISOR CAPITAL (UK) LIMITED**

---

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

**Responsibilities of directors**


As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors 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 directors determine 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Our 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 a Report of the Auditors 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



Robin Haslam (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy LLP  
Statutory Auditor  
Chartered Accountants  
Bridge House  
London Bridge  
London  
SE1 9QR

Date: 18.4.18



**VISOR CAPITAL (UK) LIMITED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	2016 £
<b>TURNOVER</b>		<b>1,631,401</b>	<b>866,438</b>
Cost of sales		<u>178,641</u>	<u>121,038</u>
<b>GROSS PROFIT</b>		<b>1,452,760</b>	<b>745,400</b>
Administrative expenses		<u>961,575</u>	<u>315,367</u>
<b>OPERATING PROFIT</b>	3	<b>491,185</b>	<b>430,033</b>
Interest receivable and similar income		<u>-</u>	<u>5,405</u>
<b>PROFIT BEFORE TAXATION</b>		<b>491,185</b>	<b>435,438</b>
Tax on profit	4	<u>-</u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>491,185</u></b>	<b><u>435,438</u></b>

The notes form part of these financial statements

**VISOR CAPITAL (UK) LIMITED**  
**OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	2016 £
<b>PROFIT FOR THE YEAR</b>		<b>491,185</b>	<b>435,438</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><b>491,185</b></u>	<u><b>435,438</b></u>


The notes form part of these financial statements

## VISOR CAPITAL (UK) LIMITED (REGISTERED NUMBER: 05956237)

BALANCE SHEET  
31 DECEMBER 2017

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	5	541	-
<b>CURRENT ASSETS</b>			
Debtors	6	683,821	252,544
Cash in hand		<u>548,524</u>	<u>472,735</u>
		1,232,345	725,279
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>51,311</u>	<u>34,889</u>
<b>NET CURRENT ASSETS</b>		<u>1,181,034</u>	<u>690,390</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,181,575</u>	<u>690,390</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	2,126,692	2,126,692
Retained earnings	10	<u>(945,117)</u>	<u>(1,436,302)</u>
<b>SHAREHOLDERS' FUNDS</b>	14	<u>1,181,575</u>	<u>690,390</u>

The financial statements were approved by the Board of Directors on 18/04/2018 and were signed on its behalf by:

  
A Patel

**VISOR CAPITAL (UK) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2016</b>	2,126,692	(1,871,740)	254,952
<b>Changes in equity</b>			
Total comprehensive income	-	435,438	435,438
<b>Balance at 31 December 2016</b>	<u>2,126,692</u>	<u>(1,436,302)</u>	<u>690,390</u>
<b>Changes in equity</b>			
Total comprehensive income	-	491,185	491,185
<b>Balance at 31 December 2017</b>	<u><u>2,126,692</u></u>	<u><u>(945,117)</u></u>	<u><u>1,181,575</u></u>

The notes form part of these financial statements

**VISOR CAPITAL (UK) LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>120,804</u>	<u>519,849</u>
Net cash from operating activities		<u>120,804</u>	<u>519,849</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(649)	-
Interest received		-	<u>5,405</u>
Net cash from investing activities		<u>(649)</u>	<u>5,405</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	(105,710)
Amount introduced by directors		<u>(44,366)</u>	-
Net cash from financing activities		<u>(44,366)</u>	<u>(105,710)</u>
<b>Increase in cash and cash equivalents</b>		<u>75,789</u>	<u>419,544</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>472,735</u>	<u>53,191</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>548,524</u></u>	<u><u>472,735</u></u>

The notes form part of these financial statements

**VISOR CAPITAL (UK) LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2017	2016
	£	£
Profit before taxation	491,185	435,438
Depreciation charges	108	530
Finance income	<u>-</u>	<u>(5,405)</u>
	491,293	430,563
(Increase)/decrease in trade and other debtors	(386,911)	115,419
Increase/(decrease) in trade and other creditors	<u>16,422</u>	<u>(26,133)</u>
<b>Cash generated from operations</b>	<u><b>120,804</b></u>	<u><b>519,849</b></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2017**

	31/12/17	1/1/17
	£	£
Cash and cash equivalents	<u><b>548,524</b></u>	<u><b>472,735</b></u>

**Year ended 31 December 2016**

	31/12/16	1/1/16
	£	£
Cash and cash equivalents	<u><b>472,735</b></u>	<u><b>53,191</b></u>

**VISOR CAPITAL (UK) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

---

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounts are prepared on a going concern basis. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

Visor Capital (UK) Limited is a limited liability company registered in England and Wales. The registered office is 96 Great Titchfield Street London W1W 6SQ.

The financial statements are presented in sterling (£), which is also the functional currency for the company.

**Turnover**

Turnover represents net invoiced brokerage charges; spread income excluding value added tax; and realised movement on securities. Commission receivable is recognised on the trade date. Turnover is recognised to the extent that it is probable that the economic benefit will flow to the company and turnover can be reliably measured.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 33% on cost
Computer equipment	- 33% on cost

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**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 of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

## VISOR CAPITAL (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2017

---

#### 1. ACCOUNTING POLICIES - continued

##### **Cash and cash equivalents**

Cash includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

##### **Financial Instruments**

###### **Financial assets**

Basic financial instruments, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts, discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets' original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled; or (ii) substantially all of the risks and rewards of the ownership of the asset are transferred to another party; or (iii) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

###### **Financial liabilities**

Basic financial instruments include trade and other payables and loans from fellow group companies and are initially recognised 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

###### **Offsetting**

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

###### **Provisions**

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past result, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

###### **Equity**

Equity comprises the following:

"Called up share capital" represents the nominal value of equity shares;

"Retained earnings" includes all current and prior year results, as disclosed in the statement of comprehensive income and from which are deducted dividends payable.



**VISOR CAPITAL (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. ACCOUNTING POLICIES - continued**

**Going concern**

The directors have reviewed their forecast and consider that they have adequate resources to continue to meet FCA capital requirements and future working capital requirements.

**Judgements and key sources of estimation uncertainty**

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgements and sources of estimation uncertainty that have a significant effect on the amount recognised in the financial statements are described below.

**Allowance for doubtful debts**

The company makes provision for debtors that the management estimate may be impaired. The company makes assessments on the recoverability of all its accounts based on external factors such as creditworthiness and age of the receivables.

**2. EMPLOYEES AND DIRECTORS**

	2017 £	2016 £
Wages and salaries	245,150	182,414
Social security costs	<u>27,902</u>	<u>20,772</u>
	<u><b>273,052</b></u>	<u><b>203,186</b></u>

The average monthly number of employees during the year was as follows:

	2017	2016
Management	<u><b>2</b></u>	<u><b>1</b></u>

	2017 £	2016 £
Directors' remuneration	<u><b>245,150</b></u>	<u><b>162,352</b></u>

Information regarding the highest paid director for the year ended 31 December 2017 is as follows:

	2017 £
Emoluments etc	<u><b>148,845</b></u>

**3. OPERATING PROFIT**

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

	2017 £	2016 £
Other operating leases	40,750	21,000
Depreciation - owned assets	108	530
Auditors' remuneration	7,500	7,500
Auditors' remuneration for non audit work	34,135	29,042
Foreign exchange differences	<u><b>58,614</b></u>	<u><b>(55,728)</b></u>

**VISOR CAPITAL (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**4. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2017 nor for the year ended 31 December 2016.

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Profit before tax	<u>491,185</u>	<u>435,438</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2016 - 20%)	93,325	87,088
Effects of:		
Expenses not deductible for tax purposes	4,200	1,543
Depreciation in excess of capital allowances	20	106
Utilisation of tax losses	<u>(97,545)</u>	<u>(88,737)</u>
Total tax charge	<u>-</u>	<u>-</u>

There is an unprovided deferred tax asset of £149,000 (2016: £240,000). No allowance has been made for the deferred tax asset as its recoverability in the near future is uncertain.

**5. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2017	2,656	9,955	12,611
Additions	<u>279</u>	<u>370</u>	<u>649</u>
At 31 December 2017	<u>2,935</u>	<u>10,325</u>	<u>13,260</u>
<b>DEPRECIATION</b>			
At 1 January 2017	2,656	9,955	12,611
Charge for year	<u>46</u>	<u>62</u>	<u>108</u>
At 31 December 2017	<u>2,702</u>	<u>10,017</u>	<u>12,719</u>
<b>NET BOOK VALUE</b>			
At 31 December 2017	<u>233</u>	<u>308</u>	<u>541</u>
At 31 December 2016	<u>-</u>	<u>-</u>	<u>-</u>

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Other debtors	615,911	249,060
Directors' loan accounts	44,366	-
Prepayments and accrued income	<u>23,544</u>	<u>3,484</u>
	<u>683,821</u>	<u>252,544</u>

**VISOR CAPITAL (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Trade creditors	3,778	-
Social security and other taxes	18,118	11,414
Accruals and deferred income	<u>29,415</u>	<u>23,475</u>
	<u>51,311</u>	<u>34,889</u>

**8. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017 £	2016 £
Within one year	<u>46,250</u>	<u>-</u>

**9. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
2,126,692	ordinary	£1	<u>2,126,692</u>	<u>2,126,692</u>

**10. RESERVES**

	Retained earnings £
At 1 January 2017	(1,436,302)
Profit for the year	<u>491,185</u>
At 31 December 2017	<u>(945,117)</u>

**11. ULTIMATE PARENT COMPANY**

Maciste Ltd is regarded by the directors as being the company's ultimate parent company.

The company was a wholly owned subsidiary undertaking of Visor Capital JSC, a company incorporated in Kazakhstan.

Since August 2016, the company is under the control of Stefano Resegotti.

**12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 December 2017 and 31 December 2016:

	2017 £	2016 £
<b>S Resegotti</b>		
Balance outstanding at start of year	-	-
Amounts advanced	44,366	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>44,366</u>	<u>-</u>

**VISOR CAPITAL (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**13. RELATED PARTY DISCLOSURES**

The company was charged £186,595 (2016: £Nil) from Visor Capital JSC, its previous parent company.

The key management personnel are the directors.

**14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2017 £	2016 £
Profit for the financial year	<u>491,185</u>	<u>435,438</u>
<b>Net addition to shareholders' funds</b>	<b>491,185</b>	435,438
Opening shareholders' funds	<u>690,390</u>	<u>254,952</u>
<b>Closing shareholders' funds</b>	<u><u>1,181,575</u></u>	<u><u>690,390</u></u>

## **Visor Capital (UK) Limited**

### **Disclosure under Pillar 3 of Capital Requirements Directive**

**Date: As at 26/03/2018, based on Financial data as at 31/12/2017**

Visor Capital (UK) Limited ("the Firm") is authorised and regulated by the Financial Conduct Authority and is categorised as a BIPRU €50,000 Limited Licence Firm for regulatory purposes. The firm is wholly owned by Maciste Ltd. This statement has been prepared by the firm in accordance with BIPRU 11 and summarises the material disclosures the firm is required to make under Pillar 3 of the Capital Requirements Directive.

#### **Frequency**

Pillar 3 disclosures will be issued on an annual basis after the firm's audited accounts have been prepared. The disclosures are made at the firm's accounting reference date which is 31st December.

#### **Materiality**

The firm regards the information in these disclosures as material if its omission or misstatement could change or influence the assessment or decision of a user relying on this information to make an economic decision. If the firm deems a certain disclosure to be immaterial, it may be omitted from this statement.

#### **Risk Management**

While the Board of Directors is ultimately responsible and accountable for the risk management at the Firm, the firm operates the following lines of defence;

- First line of defence: Line management are responsible for identification, measurements and management of risks within the firm, ensuring appropriate controls are in place and operating effectively.
- Second Line of Defence: the Firm's risk and compliance function provides risk management expertise and challenges the employees in their performance of risk management activities through independent reviews, monitoring and testing.
- Third line of defence: the Board oversee and review the effectiveness of the risk management structure and framework and ensure results are in line with the Firm's risk appetite.

Monthly management accounts are used to monitor and project its capital resources and a compliance manual, a compliance monitoring programme and an Internal Capital Adequacy Assessment Process ("ICAAP") have been adopted to facilitate risk management in the firm.

Given the nature and activities of the firm, its risk appetite is low. It does not securitize assets or deal as principal, unless as a Matched Principal Broker, and therefore does not have a trading book. The key risks are as follows:

#### **Market risk**

The firm earns revenues on international markets, primarily USD and EUR and therefore its revenues are exposed to currency fluctuations.

#### **Interest rate risk**

The firm is not exposed to interest rate risk as it does not rely on borrowings to meet operating expenditure and does not make loans to clients.

#### **Credit risk**

The main credit risk of the firm is a defaulting debtor, although the firm does not extend credit to its clients. The key credit exposures that the firm has are fees payable to the firm by its client and the risk of default by the firm's own bankers.

Brokerage fees and commissions are paid upon settlement of the trades and where we trade through a DMA platform our fees are rebated at the end of each month. Corporate finance fees are generally paid on successful completion of a deal.

Under Pillar 1 capital calculations, cash balances are risk weighted at 20%. The directors believe that the Pillar 1 risk weight is adequate and that a Pillar 2 adjustment to hold additional capital is not required.

#### **Liquidity risk**

The liquidity risk that the firm faces is the inability to settle its liabilities as they fall due. The risk management process includes frequent monitoring of the liquidity position of the firm. Bank reconciliations and cash flows are prepared on a regular basis to ensure that all liabilities are identified promptly and can be settled as they fall due.

Cash resources of the firm are maintained in bank accounts with instant access.

#### **Operational risk**

As a BIPRU €50,000 Limited Licence firm, the firm is not subject to an operational risk requirement under Pillar 1. However, the firm is aware of the reputational damage that could result from a failure in operating procedures. The firm's key policies and procedures are documented in the compliance manual and their effectiveness kept under review via the compliance monitoring programme.

Changes to procedures are communicated to directors and staff as they occur and personnel provide a written confirmation of their understanding and acknowledgement of any significant changes.

Directors and staff remain aware of the policies and procedures and periodically confirm their compliance via a biannual compliance declaration.

#### **Remuneration risk**

The Firm is subject to FCA Rules on remuneration. The Remuneration Code ("the RemCode") rules are located in the SYSC Sourcebook of the FCA's Handbook. The RemCode

covers an individual's total remuneration, fixed and variable. The Firm incentivises staff through a combination of the two.

The Firm's business is to provide Brokerage and Corporate Finance services to its clients

Our policy is designed to ensure that we comply with the RemCode and our compensation arrangements:

1. are consistent with and promotes sound and effective risk management;
2. do not encourage excessive risk taking;
3. include measures to avoid conflicts of interest; and
4. are in line with the Firm's business strategy, objectives, values and long-term interests.

### **Proportionality**

Enshrined in the European remuneration provisions is the principle of proportionality. The FCA has sought to apply proportionality in the first instance by categorising firms into three levels. The Firm falls within the FCA's proportionality level three and as such this disclosure is made in line with the requirements for a Level three.

### **Application of the requirements**

We are required to disclose certain information on at least an annual basis regarding our Remuneration policy and practices for those staff whose professional activities have a material impact on the risk profile of the firm. Our disclosure is made in accordance with our size, internal organisation and the nature, scope and complexity of our activities.

1. Summary of information on the decision-making process used for determining the firm's remuneration policy.
  - The Firm's policy has been agreed by the Senior Management in line with the RemCode principles laid down by the FCA.
  - Due to the size, nature and complexity of the Firm, we are not required to appoint an independent remuneration committee.
  - The Firm's policy will be reviewed as part of annual process and procedures, or following a significant change to the business requiring an update to its internal capital adequacy assessment.
  - BIPRU Investment Management Firm - The Firm's ability to pay bonus is based on the performance of Firm overall and derived after its fund's managed returns have been calculated by client appointed third party administrators.
2. Summary of how the firm links between pay and performance.
  - Individuals are rewarded based on their contribution to the overall strategy of the business.
    - a. Investment Generation
    - b. Investment Trading
    - c. Sales & Marketing
    - d. Operations

- Other factors such as performance, reliability, effectiveness of controls, business development and contribution to the business are taken into account when assessing the performance of the senior staff responsible for the infrastructure of the firm.

3. Aggregate quantitative information on remuneration, for staff whose actions have a material impact on the risk profile of the firm.

Code Staff	Aggregate compensation expense in 2017 fiscal year
Senior Management:	£250k
Others (If applicable)	

We may omit required disclosures where we believe that the information could be regarded as prejudicial to the UK or other national transposition of Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

We have made no omissions on the grounds of data protection.

#### **Capital Resources**

As the firm is a BIPRU €50,000 Limited Licence Firm. It has calculated its capital resources in accordance with GENPRU 2.2. The firm's capital resources are detailed in the below.

	£000
Tier 1 capital resources*	1,181
Tier 2 capital resources	0
Tier 3	0
Deductions form total capital e.g. illiquid assets	0
	-----
Total capital resources as at 31 December 2017	1,181

\*Tier 1 capital is not subject to any deductions and does not include any hybrid capital or capital instruments.



### **Capital Resource Requirements**

Pillar 1 capital is the minimum capital requirement that firms are required to meet for credit, market and operational risk. The Firm's Pillar 1 requirement is calculated as the higher of:

1. The Base Capital Requirement (€50k)
2. The sum of:
  - The Credit Risk Capital Requirement; and
  - The Market Risk Capital Requirement.
3. The Fixed Overheads Requirement (FOR) (3 months expenditure of the firm).

In the opinion of the directors the highest of these three is the FOR which has a capital requirement of £205,000

### **Pillar 1 and Pillar 2**

As at the date of this report the firm meets its Pillar 1 capital resources requirement.

Pillar 2 capital is additional capital against risks not adequately covered in Pillar 1. The firm has undertaken an Internal Capital Adequacy Assessment Process (ICAAP) to determine whether it needs any further regulatory capital due to the risks it faces as set out above. As a result of this review the firm has concluded that its Pillar 2 capital requirement is £190,000. As at the date of this report the firm meets its Pillar 2 capital resources requirement.