

Moore Europe Capital Management, LLP

Report and financial statements

For the year ended 31 December 2015



Managing Member

MECM, Limited

Designated Members

Moore Europe Capital Development, Limited

Louis Bacon

Maurizio Alfano

David Barker

Arancha Cano

David Cross

Famida Daniels

Hassim Dhoda

Gene Frieda

Garth Gascoigne

Joeri Jacobs

Chris Levett

Patrick Lynch

Dan Manor

Lev Mikheev

Greg Nataf

Stefano Nannizzi

Roshan Patel

Stergios Pantostis

Michael Pringle

Chiara Terzaghi

Luis Valderrama

Ellen Van der Gulik

Pangiotis Vlachopoulos

Secretary

Hackwood Secretaries Ltd

Auditors

Ernst & Young LLP

25 Churchill Place

London E14 5EY

Bankers

Barclays Bank PLC

54 Lombard Street

London

EC3P 3AH

Registered Office

One Silk Street

London

EC2Y 8HQ

Registered No. OC322533

Members' report

The Members present their report and financial statements of Moore Europe Capital Management, LLP for the year ended 31 December 2015.

Results

The results for the year ended 31 December 2015 are shown in the statement of comprehensive income on page 7. The LLP's statement of financial position detailed on page 9 shows a satisfactory position. Members' total interests amount to £26,291,499.

Principal Activities

The principal activity of Moore Europe Capital Management, LLP ("LLP") is the provision of investment management services. The LLP is authorised and regulated by the Financial Conduct Authority.

Future developments

The Members do not anticipate any significant change in the business of the LLP for the foreseeable future.

Policy for Members' drawings, subscriptions and repayment of Members' capital

Policies for Members' drawings, subscriptions and repayment of Members' capital are governed by the Partnership Deed dated 1st May 2014.

Members' profit allocation

Any profits are shared among the Members in accordance with the Partnership Deed dated 1st May 2014.

Going Concern

The financial position of the LLP and its liquidity are reflected in the statement of financial position.

The LLP is expected to continue to generate positive cash flows from the revenue earned from Moore Capital Management, LP, which is a subsidiary of Moore Capital Holdings, LLC, the ultimate controlling party (see note 10).

The members, having assessed the responses of the directors of Moore Capital Holdings, LLC to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Moore Capital Holdings, LLC and its subsidiaries to continue as a going concern. Thus they have adopted the going concern basis of accounting in preparing the annual financial statements.

Registered No. OC322533

Members' report

Members

The following were Members throughout the period:

MECM, Limited (Managing Member)
Moore Europe Capital Development, Limited (Designated Member)
Louis Bacon (Designated Member)
Maurizio Alfano (Designated Member)
David Barker (Designated Member)
Arancha Cano (Designated Member)
David Cross (Designated Member appointed 10th April 2015)
Famida Daniels (Designated Member)
Hassim Dhoda (Designated Member)
Carlo Draghi (Designated Member resigned 23rd July 2015)
Gene Frieda (Designated Member)
Garth Gascoigne (Designated Member)
Joeri Jacobs (Designated Member)
Chris Levett (Designated Member)
Patrick Lynch (Designated Member)
Dan Manor (Designated Member appointed 14th September 2015)
Lev Mikheev (Designated Member)
Greg Nataf (Designated Member)
Stefano Nannizzi (Designated Member)
Stergios Pantostis (Designated Member appointed 1st December 2015)
Roshan Patel (Designated Member)
Michael Pringle (Designated Member)
Chiara Terzaghi (Designated Member)
Luis Valderrama (Designated Member)
Ellen Van der Gulik (Designated Member)
Pangiotis Vlachopoulos (Designated Member appointed 4th December 2015)

Disclosure of information to the auditors

So far as the members are aware, there is no relevant audit information of which the LLP's auditors are unaware. The members have taken all steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of this information.

Reappointment of auditors

Ernst & Young LLP will be proposed for reappointment by the members.

On behalf of the Members



DENISE JEFFRIES

On behalf of MECM, Ltd, Managing Member

Date: 25 April 2016

Statement of members' responsibilities

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

Legislation applicable to limited liability partnerships (Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the Designated Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' and applicable law. Under this legislation the Designated Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that year. In preparing those financial statements, the Designated Members are required to:

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

The Designated Members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the Members of Moore Europe Capital Management, LLP

We have audited the financial statements of Moore Europe Capital Management, LLP for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Reconciliation of Members' Interests, the Statement of Financial Position, and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'.

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement on page 4, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices 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 limited liability partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2015 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 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Independent auditors' report

to the Members of Moore Europe Capital Management, LLP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit



James Beszant (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date: 16 APRIL 2014.

Statement of comprehensive income

for the year ended 31 December 2015

		Year ended 31-Dec 2015 £	Year ended 31-Dec 2014 £
	Notes		
Turnover	2	122,988,403	96,065,422
Administrative expenses		(63,447,996)	(68,294,485)
Operating profit	4	59,540,407	27,770,937
Interest receivable and similar income	5	104,335	87,923
Finance cost	6	-	(79,254)
Profit for the financial year before members' remuneration and profit shares		59,644,742	27,779,606
Members' remuneration charged as an expense		(4,135,248)	-
Profit for the financial year available for discretionary division among Members		55,509,494	27,779,606

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 10 to 12 form an integral part of these financial statements.

Reconciliation of Members' Interests

for the year ended 31 December 2015

	Members' capital	Other reserves	Total member's capital interests	Loans and other debts due to members	Member's total interests
	£	£	£	£	£
At 1 January 2015	22,000,000	-	22,000,000	5,415,153	27,415,153
Capital treated as a liability introduced	-	-	-	30,000	30,000
Members' remuneration charged as expense	-	-	-	4,135,248	4,135,248
Profit and total comprehensive income for the year	-	55,509,494	55,509,494	-	55,509,494
Members' interests after profit for the period	22,000,000	55,509,494	77,509,494	9,580,401	87,089,895
Allocated profits	-	(55,509,494)	(55,509,494)	55,509,494	-
Drawing and distributions	-	-	-	(60,798,396)	(60,798,396)
Amounts due to Members	-	-	-	4,321,499	-
Amounts due from Members	-	-	-	(30,000)	-
At 31 December 2015	22,000,000	-	22,000,000	4,291,499	26,291,499

Amounts due to members are not subordinated.

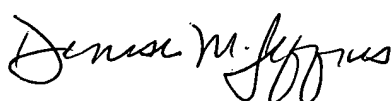
The notes on pages 10 to 12 form an integral part of these financial statements.

Statement of financial position

as at 31 December 2015

	Notes	2015 £	2014 £
Current assets			
Cash at bank and in hand		35,897,641	31,116,624
		<u>35,897,641</u>	<u>31,116,624</u>
Creditors: amounts falling due within one year	8	(9,606,142)	(3,701,471)
Net current assets		<u>26,291,499</u>	<u>27,415,153</u>
Net assets attributable to Members		<u>26,291,499</u>	<u>27,415,153</u>
Represented by:			
Loans and other debts due to Members within one year			
Members' capital classified as a liability under FRS 102 section 22		240,000	210,000
Other reserves		4,051,499	5,205,153
Members' capital interests		22,000,000	22,000,000
Total Members' interests		<u>26,291,499</u>	<u>27,415,153</u>

These financial statements were approved by the members on **25** April 2016 and are signed on their behalf by:



DENISE JEFFRIES

The notes on pages 10 to 12 form part of these financial statements.

Notes to the financial statements

as at 31 December 2015

1. Accounting policies

Statement of compliance

Moore Europe Capital Management, LLP is a limited liability partnership incorporated in England and Wales. The registered office of the LLP is 1 Silk St, London, EC2Y 8HQ.

The LLP's financial statements have been prepared in accordance with FRS 102 as it applies to these financial statements for the year ended 31 December 2015 and retrospectively to the presentation of comparatives for the year ended 31 December 2014, and 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 of preparation

The financial statements have been prepared under the historical cost convention, in accordance with applicable UK accounting standards and the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' date July 2014.

Statement of cash flows

The LLP, as a qualifying entity, has taken advantage of the exemption in section 7 of FRS 102 from the requirement to prepare a statement of cash flows.

Revenue recognition

Revenue is recognised on an accruals basis net of VAT.

Interest

Interest is accounted for on the accruals basis.

Foreign currencies

The functional and presentational currency of the LLP is pound sterling (GBP).

Transactions in foreign currencies are recorded at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at the year end. All currency differences are taken to the statement of comprehensive income.

Taxation

No provision has been made for taxation in the financial statements. Each Member is exclusively liable for any tax liabilities arising out of their interest in the LLP, which will be assessed on the individual Members.

Members' profit allocation

Amounts becoming due to members in respect of members' profit allocation are debited directly to reserves in the year in which the division occurs. Drawings are recognised as a loan due from members until allocation occurs.

Reserves

Members' capital represents those amounts introduced by the Members of the LLP to be used in business operations. All amounts credited to each member's capital account shall be immediately and fully available to the LLP for unrestricted use to cover risks and losses as and when they may occur. Future capital contributions and withdrawals are permitted as outlined by the partnership agreement.

Other reserves represent the unallocated profits from operations of the year.

2. Turnover

Turnover arises from services performed in the United Kingdom and is attributable to advisory fees from Moore Capital Management, LP, incorporated in the US (see note 10), exclusive of Value Added Tax. Turnover is calculated based on the methodology stated in the Services Agreement between the LLP and Moore Capital Management, LP dated 4 February 2010.

Notes to the financial statements

as at 31 December 2015

3. Transition to FRS 102

Moore Europe Capital Management, LLP previously reported under the framework of United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The transition to FRS 102 has had no impact on its previously reported financial performance and position. Therefore no reconciliation of equity or of its profit is shown here.

4. Operating Profit

Auditors' remuneration for the year of £15,000 (2014 - £15,000), has been paid by MECM, Ltd.

5. Interest receivable and similar income

	<i>Year to 31-Dec 2015 £</i>	<i>Year to 31-Dec 2014 £</i>
Bank interest received	95,393	87,923
Interest received on intercompany transactions	8,942	—
	<u>104,335</u>	<u>87,923</u>

6. Finance costs

	<i>Year to 31-Dec 2015 £</i>	<i>Year to 31-Dec 2014 £</i>
Interest payable on intercompany transactions	—	79,254
	<u>—</u>	<u>79,254</u>

Notes to the financial statements

as at 31 December 2015

7. Members' remuneration

	<i>Year to 31-Dec 2015 £</i>	<i>Year to 31-Dec 2014 £</i>
Profit for the financial year available for discretionary division among Members	55,509,494	27,779,606
Amount in relation to the Member with the largest entitlement to profit	15,695,774	11,012,828
	<i>Year to 31-Dec 2015 No</i>	<i>Year to 31-Dec 2014 No</i>
The average monthly number of Members in the year was	23	16

8. Creditors: amounts falling due within one year

	<i>2015 £</i>	<i>2014 £</i>
Amounts owed to related parties	9,606,142	3,701,471

9. Related party transactions

During the year the LLP received income of £122,988,403 (2014: £96,065,422) from Moore Capital Management, LP, which is a subsidiary of Moore Capital Holdings, LLC, the ultimate controlling party (see note 10). The LLP received interest from Moore Capital Management, LP of £8,942 (2014: £79,254 paid to).

At 31 December 2015 £9,606,142 was payable to Moore Capital Management, LP (2014: £3,701,471 payable to).

During the year the LLP paid expenses for the Managing Member of £63,342,723 (2014: £68,294,485). No amounts were due to or from the Managing Member at 31 December 2015 (2014: £nil).

10. Ultimate parent undertaking and controlling party

The LLP is controlled by its Managing Member, MECM, Limited, which is ultimately controlled by Moore Capital Holdings, LLC, a company incorporated in the US. Financial statements for MECM, Ltd are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

Unaudited Appendix

Moore Europe Capital Management, LLP

Pillar 3 Disclosure

31 December 2015

Unaudited Appendix

Overview

This disclosure document has been prepared in accordance with the requirements of Pillar 3, which is the implementation by the Financial Conduct Authority of the European Union Capital Requirements Directive ("CRD"). Pillar 3 is designed to promote market discipline by providing market participants with information on firms' risk exposures and risk management processes.

The figures in this document are as at 31 December 2015, which is the company's year end. Future disclosures will be issued on an annual basis, and included in the annual accounts.

MECM, Ltd is an EEA institution, and is the parent company of Moore Europe Capital Management, LLP, which is regulated by the FCA. CRD applies both to Moore Europe Capital Management, LLP ("Solo") and to the consolidated position of the two companies ("the Group"). Therefore regulatory capital ratios are required to be maintained on both a Solo and Group basis.

Risk Management Objectives and Policies

Senior Management decides the Group's appetite or tolerance for risk. In addition Senior Management ensures that the Group has implemented an effective, ongoing process to identify risk, to measure its potential impact against a broad set of assumptions and then to ensure that such risks are actively managed.

Unaudited Appendix

Capital Resources

The table below summarises the composition of the regulatory capital as at 31 December 2015, at which point MECM, Ltd and the Group's individual entities complied with all the externally imposed capital requirements to which they are subject.

	Notes	SOLO	GROUP
		31 December 2015	31 December 2015
		£000s	£000s
Core Tier 1 capital			
Called up ordinary share capital		22,000	650
Retained earnings		-	51,021
Tier 1 capital after deductions		22,000	51,671
Tier 2 capital after deductions		-	-
Total regulatory capital		22,000	51,671

Capital Adequacy

The Group's policy is always to be well capitalised on a Solo and Group basis. The Group has adopted the standardised approach to both credit and operational risk since 1 January 2008 in order to calculate the Pillar 1 minimum capital requirement.

The Group reviews cash held on a daily basis and forecasts on a weekly basis so as to maintain enough cash always to meet its Pillar 1 regulatory requirements.

The Group undertakes the Internal Capital Adequacy Assessment Process ("ICAAP"), which is the internal assessment of its capital needs. The outcome of the ICAAP is documented on a Solo and Group basis.

The ICAAP document forecasts 3 years of performance and includes stressed scenarios to satisfy regulatory requirements. Capital has been deemed able to mitigate identified risks.

The ICAAP document is presented to the Board for challenge and approval. The document is reviewed twice a year (or more frequently if considered necessary) and updated appropriately.

Unaudited Appendix

The Group's Pillar 1 capital requirement is set out in the table below. The Pillar 1 requirement in respect of credit risk is based on 8% of the risk weighted exposure amounts for each of the following standardised exposure classes.

	SOLO	GROUP
	31 December 2015	31 December 2015
	£000s	£000s
Credit risk – standardised approach		
Central governments	-	-
Institutions	574	840
Corporates	-	422
Other	2	381
TOTAL Credit Risk	576	1,643
Operational risk	-	-
Market risk – non trading book		
Foreign currency PRR*	13	179
Fixed Overhead Requirement	8,281	8,281
Total Pillar 1 capital requirement	8,281	8,281

* Position Risk Requirement