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**MAKO GLOBAL INVESTORS LLP**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2016**

Partnership Registration No:  
OC 361320

**MAKO GLOBAL INVESTORS LLP**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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Partnership registration number:

OC 361320

Registered office:

9 Appold Street  
London  
EC2A 2AP

Designated members:

Mako Europe Limited  
Mako Cayman Holding Limited

Bankers:

HSBC  
8 Canada Square  
London  
E14 5HQ

Auditors:

Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

**MAKO GLOBAL INVESTORS LLP**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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# **MAKO GLOBAL INVESTORS LLP**

## **MEMBERS' REPORT AND MEMBERS' RESPONSIBILITIES**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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The members present their report together with the audited financial statements for the year ended 31 December 2016.

#### **Principal activities and review of the business**

The principal activity of Mako Global Investors LLP ('the partnership') is that of an investment manager. The Financial Conduct Authority regulates the Partnership as an alternative investment fund manager ('AIFM').

The partnership's key financial and other performance indicators for the year are as follows:

	<b>2016</b>	<b>2015</b>
	<b>\$000s</b>	<b>\$000s</b>
Assets under management	-	110,743
Management and performance fees	247	1,127
(Loss)/Profit for the financial year available for discretionary division among members*	(77)	(7,294)
Number of non-designated members	-	2

During the year the partnership managed CT Invest ("the fund"), a Cayman based fund. Due to significant redemptions and negative performance, the partnership initiated the liquidation of the fund during the year. In addition, the partnership managed \$11m as a sub manager of a UCITS product, these funds were redeemed during the year.

\*Loss for 2015 includes a one off recharge from Mako Europe Limited of \$4,712,000 for costs incurred not recharged in prior years.

#### **Future developments**

The liquidation of CT Invest fund was completed in February 2017. The partnership continues to look for new opportunities.

#### **Result for the year**

The loss for the year amounted to \$77,000 (2015 loss: \$7,294,000).

#### **Designated Members**

During the year Mako Global Derivatives Limited and Mako Computer Systems Limited assigned their partnership interests to Mako Europe Limited and Mako Cayman Holding Limited, the transfer was completed on 30 June 2016.

#### **Members' drawings and the subscription and repayment of members' capital**

During the year members received no monthly drawings. The level and timing of profit distributions is decided by the designated members after taking into account contribution to the partnership and the partnership's cash requirements for operating and investment activities. All profits are fully allocated.

The capital requirements of the partnership are determined by the designated members and are reviewed regularly. Each member is required to subscribe to a proportion of this capital. On leaving the partnership, the member's capital is repaid on the authorisation of the other members.

## **MAKO GLOBAL INVESTORS LLP**

### **MEMBERS' REPORT AND MEMBERS' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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#### **Going concern**

The designated members have completed a formal assessment of the partnership's capital adequacy, liquidity, credit and business risk, including drawing up budgets for the next year. Based on this review the designated members believe that the partnership is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the designated members have a reasonable expectation that the partnership has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **Members' responsibilities for the financial statements**

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

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 made under the Limited Liability Partnerships Act 2000 require the members to prepare financial statements for each financial year. Under that regulation, the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the regulation, the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that year. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 partnership will continue in business.

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

#### **Information provided to auditors**

At the date of Board approval of this report and financial statements for the year ended 31 December 2016, each of the designated members has confirmed that:

- as far as he/she is aware, there was no relevant audit information of which the auditors were unaware; and
- he/she has taken all the steps they ought to have taken as a designated member in order to make himself/herself aware of any relevant audit information and to establish that the auditors have been made aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

**MAKO GLOBAL INVESTORS LLP**

**MEMBERS' REPORT AND MEMBERS' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**Charitable and political contributions**

There were no charitable donations nor any contributions for political purposes made by the company during the year.

**Re-appointment of auditors**

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Grant Thornton UK LLP as auditor of the company.

BY ORDER OF THE MEMBERS



**B Flowers**  
**Director of Mako Europe Limited**

25 April 2017

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAKO GLOBAL INVESTORS LLP**

We have audited the financial statements of Mako Global Investors LLP for the year ended 31 December 2016 which comprise the statement of financial position, the statement of comprehensive income, the statement of changes in members' equity and the related notes 1 to 11. 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 in 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 set out on page 2, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability Partnership's affairs as at 31 December 2016 and of its loss 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 by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MAKO GLOBAL INVESTORS 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 by the limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the limited liability partnership's 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.

*Grant Thornton UK LLP*

**William Pointon (Senior Statutory Auditor)  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London  
25 April 2017**

**MAKO GLOBAL INVESTORS LLP****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2016**

	Note	2016 \$'000s	2015 \$'000
<b>Current assets</b>			
Debtors	5	194	96
Cash and cash equivalents		699	1,042
		<u>893</u>	<u>1,138</u>
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	6	(247)	(154)
		<u>646</u>	<u>984</u>
<b>Net current assets</b>		<u>646</u>	<u>984</u>
<b>Total assets less current liabilities</b>		<u>646</u>	<u>984</u>
<b>Assets attributable to members</b>		<u>646</u>	<u>984</u>
<b>Represented by:</b>			
Loans and other debts due to members within on year		124	-
<b>Equity</b>			
Members' capital		10,523	10,985
Other reserves		(10,001)	(10,001)
		<u>522</u>	<u>984</u>
Members' other interests		<u>646</u>	<u>984</u>
<b>Memorandum Item:</b>			
<b>Total members' interests</b>			
Loans due to members		124	-
Members' other interests		522	984
		<u>646</u>	<u>984</u>

The financial statements were approved by the members on 25 April 2017 and signed on their behalf by:

**B Flowers**

**Director of Mako Europe Limited**



The accompanying accounting policies and notes form an integral part of these financial statements.

**MAKO GLOBAL INVESTORS LLP****STATEMENT OF COMPREHENSIVE INCOME****AS AT 31 DECEMBER 2016**

	Note	2016	2015
		\$'000s	\$'000s
Turnover	2	247	1,127
Cost of Sales		(324)	(445)
		<hr/>	<hr/>
Gross loss		(77)	682
Administrative expenses		-	(7,960)
Foreign exchange gain/(loss)		-	(16)
		<hr/>	<hr/>
Operating loss		(77)	(7,294)
		<hr/>	<hr/>
Loss for the financial year available for discretionary division among members		(77)	(7,294)
		<hr/>	<hr/>
Total comprehensive income for the financial year available for discretionary division among members		(77)	(7,294)
		<hr/>	<hr/>

The accompanying accounting policies and notes form an integral part of these financial statements.

**MAKO GLOBAL INVESTORS LLP**

**STATEMENTS OF CHANGES IN MEMBERS' EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**2016**

	Equity Members' capital	other interests Other reserves	Total	Loans and other debts due to members less any amounts due from members in debtors	Total
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Amounts due to members				-	
Amounts due from members				-	
<b>At 1 January 2016</b>	10,985	(10,001)	984	-	984
Loss for the financial year available for discretionary division among members	-	(77)	(77)	-	(77)
Members interests after loss for the year	10,985	(10,078)	907	-	907
Allocated loss distributed	-	77	77	-	77
Capital introduced by members	1,468	-	1,468	-	1,468
Net repayment of intercompany loan	(1,930)	-	(1,930)	-	(1,930)
Net increase in debt	-	-	-	124	124
<b>At 31 December 2016</b>	<b>10,523</b>	<b>(10,001)</b>	<b>522</b>	<b>124</b>	<b>646</b>
Amounts due to members				124	
Amounts due from members				-	
				124	

**MAKO GLOBAL INVESTORS LLP****STATEMENTS OF CHANGES IN MEMBERS' EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2016****2015**

	Equity Members' other interests Members' capital Other reserves \$'000s \$'000s \$'000s	Total \$'000s
<b>At 1 January 2015</b>	3,342 (2,707)	635
Loss for the financial year available for division among members	- (7,294)	(7,294)
Members interests after loss for the year	3,342 (10,001)	(6,659)
Capital introduced by members	7,500 -	7,500
Capital repaid to members	- -	-
Capitalised intercompany loans	143 -	143
<b>At 31 December 2015</b>	<b>10,985</b> <b>(10,001)</b>	<b>984</b>

# MAKO GLOBAL INVESTORS LLP

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 ACCOUNTING POLICIES

##### STATEMENT OF COMPLIANCE

Mako Global Investors LLP is a Limited Liability Partnership incorporated in England. The registered office is 9 Appold Street, London, EC2A 2AP.

The partnership's financial statements have been prepared in compliance with Financial Reporting Standard 102 ('FRS 102'). The partnership transitioned from UK GAAP to FRS 102 as at 1 January 2015.

##### BASIS OF PREPARATION

These financial statements have been approved for issue by the members on 25 April 2017.

All figures included in these financial statements are stated in US Dollars, the functional currency of the partnership. The Sterling to Dollar and Euro to Dollar exchange rates used at the year end were:

Currency	2016	2015
Sterling	1.234	1.474
Euro	1.055	1.086

The financial statements have been prepared in accordance with applicable accounting standards, and the revised Statement of Recommended Practice ('SORP') 'Accounting by Limited Liability Partnerships' (effective January 2015) and under the historical cost convention except for financial assets and liabilities held at fair value through the profit and loss, that have been measured at fair value.

The partnership has adopted the disclosure exemptions available within FRS 102. The partnership's ultimate parent company, Mako Europe Limited, has adopted the full disclosure requirements of FRS 102 in respect of these exemptions in the full consolidated financial statements for the UK group. The exemptions taken are:

- the requirement to present a statement of cash flows and related notes;
- financial instrument disclosures, including, categories of financial instruments; items of income, expenses, gains or losses relating to financial instruments, and exposure to and management of financial risks.

##### *Going concern*

After reviewing the partnership's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The partnership therefore continues to adopt the going concern basis in preparing its financial statements.

The principal accounting policies of the partnership are set out below.

##### FINANCIAL INSTRUMENTS

FRS102 section 11 and 12 have been adopted with regards to the company's financial instruments.

##### *Date of recognition*

Financial assets and liabilities are recognised on the trade date, i.e. the date that the partnership commits to purchase or sell the asset or liability.

##### *Initial Recognition of financial instruments and measurement*

The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial instruments are measured initially at their fair value plus, in the case of financial assets and financial liabilities not at fair value through the profit and loss, any directly attributable incremental costs of acquisition or issue.

# **MAKO GLOBAL INVESTORS LLP**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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#### **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less, together with listed and unlisted instruments held on a short term basis. The instruments are valued at the closing market price by an independent third party at the balance sheet date.

#### **DEBTORS**

Short term debtors are measured at transaction price, less any impairment.

#### **CREDITORS**

Short term trade creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **MEMBER'S CAPITAL**

Members' capital represents capital subscribed by the members of the group. No interest is paid on capital. Members' capital is considered to be equity as no member has the right to directly or indirectly to withdraw or receive back any part of the amount standing to the capital account balance except on leaving the partnership on the authorisation of the other members.

#### **MEMBER'S REMUNERATION**

Members' remuneration is treated as an allocation of profits and is payable to a member only once a discretionary division of profits has taken place. Amounts due to members following a discretionary division of profits are debited directly to other reserves in the year in which the division occurs.

Members remuneration in the statement of comprehensive income is determined by the nature of the remuneration. Fixed predetermined amounts paid to members are charged to the statement of comprehensive income as an expense.

#### **INCOME**

Income arises from investment management services provided during the year. Income comprises management fees based on assets managed and performance fees based on investment performance. Income is recognised as fees are earned, which occurs across the year on an accruals basis.

#### **COST OF SALES**

Cost of sales comprises portfolio manager salary costs which vary in line with performance and management fee income.

#### **ADMINISTRATIVE EXPENSES**

Administrative expenses include expenses directly related to the Partnership that are incurred on its behalf and recharged by the Partnership's ultimate UK parent, Mako Europe Limited under the operation of an informal intercompany expense sharing agreement.

#### **FOREIGN CURRENCY**

Transactions in foreign currencies are translated at the exchange rate ruling at the month end date when the transaction was undertaken. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account. Foreign exchange exposures for the group are hedged centrally by Mako Global Derivatives Partnership LLP, a subsidiary of Mako Europe Limited. Costs and benefits of this trading activity are not recharged to individual group entities.

# MAKO GLOBAL INVESTORS LLP

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### TAXATION

Amounts relating to taxation on the partnership profits are the personal or corporate liability of the members during the year and any disclosure in these financial statements is for information purposes only.

#### 2 INCOME

Income represents fee income recognised over the period the service is provided arising wholly in the United Kingdom from the management of funds outside the Mako Group.

#### 3 AUDITOR'S REMUNERATION

The fees paid to the partnership's auditors for the year comprised of statutory audit fees £13,500 (2015: £13,500) and other assurance fees £2,500 (2015: £2,500). Auditor's remuneration was borne by Mako Europe Limited, the partnership's ultimate UK controlling party, and is therefore disclosed in Mako Europe Limited's financial statements. There were no non-audit services provided to the partnership by its auditors.

#### 4 MEMBERS AND STAFF

Staff costs of the partnership are borne by Mako Europe Limited, the ultimate UK controlling party, and recharged through an informal expense sharing agreement.

The average number of members of the partnership during the year was three (2015: four).

The distribution allocated during the year to the member with the largest entitlement was \$nil (2015: \$nil).

#### 5 DEBTORS

	2016 \$'000s	2015 \$'000
Trade debtors	-	51
Amounts due from group undertakings	194	-
Prepayments	-	20
Other debtors	-	25
	<u>194</u>	<u>96</u>

#### 6 CREDITORS

	2016 \$'000s	2015 \$'000
Trade creditors	222	21
Accruals and deferred income	25	133
	<u>247</u>	<u>154</u>

Creditors are afforded no protection in the event of winding up unless they are secured creditors.

#### 7 CAPITAL COMMITMENTS

The partnership had no capital commitments as at 31 December 2016 or 31 December 2015.

## **MAKO GLOBAL INVESTORS LLP**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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#### **8 CONTINGENT LIABILITIES**

There were no contingent liabilities as at 31 December 2016 or 31 December 2015.

#### **9 TRANSACTIONS WITH RELATED PARTIES**

During the year Mako Global Investors LLP and related parties settled expenses on behalf of each other, costs recharged by the partnership during the year were, Mako Europe Limited \$155,454 and Mako Global Derivatives Limited \$155,454.

Mako Global Investors LLP allocated losses relating to six months performance in 2016 to its related party Mako Global Derivatives Limited totalling \$38,485 and \$38,485 loss to related party Mako Europe Limited.

In 2015 costs borne by Mako Europe Limited were recharged to the partnership \$6,749,606, the expense sharing agreement was changed during the year following the restructure of the group.

The amounts due from the related parties at 31 December 2016 were Mako Europe Limited \$1,566,149 (2015: \$(255,375)) and Mako Global Derivatives Limited \$193,939.

#### **10 IMMEDIATE AND ULTIMATE CONTROLLING PARTY**

The partnership's designated members are Mako Europe Limited and Mako Cayman Holding Limited, companies incorporated in England and Wales and Cayman Islands respectively.

The controlling party of the smallest group in which the results of the partnership are consolidated is Mako Europe Limited, copies of whose accounts are publicly available.

In the members' opinion, the partnership's ultimate controlling party and the largest group in which the partnership is consolidated is Mako Global Derivatives Executives, LLP, a partnership incorporated in the USA. Mako Global Derivatives Executives, LLP is ultimately controlled by joint beneficiaries David Segel and Christina Segel.

#### **11 POST BALANCE SHEET EVENTS**

The liquidation of CT Invest was completed in February 2017.