CREDIT SUISSE CLIENT NOMINEES (UK) LIMITED

Annual Report
For the year ended 31 December 2017

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Company Registration Number: 01755936

Table of Contents

Strategic Report for the year ended 31 December 2017

The Directors present the Strategic Report for the year ended 31 December 2017.

Business profile

Credit Suisse Client Nominees (UK) Limited (the "Company") is a Company incorporated in the United Kingdom. The Company's registered office is One Cabot Square, London E14 4QJ. The Company is a wholly owned subsidiary of Credit Suisse Securities (Europe) Limited.

Principal activities

The Company acts as a nominee company for Credit Suisse Securities (Europe) Limited in respect of its clients' securities registered in its name, with the associated collection of dividends on behalf of the beneficial owners.

There has been no significant change in the Company's principal activities compared to previous years. The Directors are not aware of any significant developments or factors which will have a major impact on the continued success or operation of the business in the future.

Business review

The activities of the Company have not resulted in any financial transactions during the year. Consequently, the Company made neither a profit nor a loss during the year (2016: US$ Nil).

Performance

The performance of the Company is explained through the key movements in its Statement of Income and Statement of Financial Position.

Statement of Profit or Loss and Other Comprehensive Income
The profit for the year was US$ Nil (2016: US$ Nil). The Company is currently dormant and has not earned any income during the year.

Statement of Financial Position
As at 31 December 2017, the Company had total assets of US$ 4 (2016: US$ 4) which comprise of receivables from group companies.

Key performance Indicators (KPI's)
Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The financial risk management objectives and policies of the Company are set out in Note 7 of the Financial Statements. The Company is not exposed to any material credit, liquidity, foreign exchange, interest-rate or operational risk.

Approved by the Board of Directors on 15 March 2018 and signed on its behalf by:

Paul E. Hare
Company Secretary
One Cabot Square
London E14 4QJ
15 March 2018

Directors' Report for the year ended 31 December 2017

International Financial Reporting Standards

The Financial Statements of the Company for 2017 have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted for use in the European Union (EU).

The Financial Statements were authorised for issue by the Directors on 15 March 2018.

Going concern basis

The Financial Statements have been prepared on a going concern basis.

Share capital

During the year, no additional share capital was issued by the Company (2016: US$ Nil).

Dividends

No dividends were paid or are proposed for the year ended 31 December 2017 (2016: US$ Nil).

Directors

The names of the Directors as at the date of this report are set out on page 3. There are no changes in the Directorate since 31 December 2016.

All Directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report. None of the Directors who held office at the end of the financial year were beneficially interested, at any time during the year, in the shares of the Company.

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Strategic Report, Directors' Report 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 they have elected to prepare the Financial Statements in accordance with IFRSs as adopted by the EU 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 estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Auditor

For the year ended 31 December 2017, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 (the "Act") relating to dormant companies. The members have not required the Company to obtain an audit in accordance with section 476 of the Act.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Subsequent events

There are no subsequent events to the year-end which require disclosure or adjustments as at the date of this report.

Approved by the Board of Directors on 15 March 2018 and signed on its behalf by:

N Mat

Neil Martin
Director
One Cabot Square
London E14 4QJ
15 March 2018

Company Registration Number: 01755936

Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2017

During the financial year and the preceding financial year, the Company did not trade, received no income and incurred no expenditure. Consequently, during these years the Company made neither a profit nor a loss.

Statement of Financial Position as at 31 December 2017

	Note	31 December 2017 US$	31 December 2016 US$
ASSETS			
Current assets			
Amounts due from related company	5	4	4
Total current assets		**4**	**4**
Total assets		**4**	**4**
LIABILITIES		-	-
Total liabilities		-	-
SHAREHOLDERS' EQUITY			
Share capital	4	3	3
Retained earnings		1	1
Total shareholders' equity		**4**	**4**
Total liabilities and shareholder's equity		**4**	**4**

The notes on pages 9 to 12 form an integral part of these Financial Statements.

For the year ended 31 December 2017:

1. The Company was entitled to exemption from audit under section 480 of the Companies Act 2006 (the "Act") relating to dormant companies.

2. The members have not required the Company to obtain an audit in accordance with section 476 of the Act.

3. The Directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

4. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Directors on 15 March 2018 and signed on its behalf by:

N Martin

Neil Martin
Director

Statement of Changes in Equity for the year ended 31 December 2017

	Share capital US$	Retained earnings US$	Total US$
Balance at 1 January 2017	3	1	4
Profit/(loss) for the year	-	-	-
Balance at 31 December 2017	**3**	**1**	**4**

Balance at 1 January 2016	3	1	4
Profit/(loss) for the year	-	-	-
Balance at 31 December 2016	**3**	**1**	**4**

The notes on pages 9 to 12 form an integral part of these Financial Statements.

Statement of Cash Flows for the year ended 31 December 2017

During the financial year and the preceding financial year, the Company *did not trade, received no income,* incurred no expenditure and had no cash flow. Consequently, the Company has no items to report on the Statement of Cash Flows.

Notes to the Financial Statements for the year ended 31 December 2017

1. General

Credit Suisse Client Nominees (UK) Limited (the "Company") is incorporated in the United Kingdom. The Company's registered office is One Cabot Square, London E14 4QJ. The Company acts as a nominee company for Credit Suisse Securities (Europe) Limited in respect of its clients' securities registered in its name, with the associated collection of dividends on behalf of the beneficial owners. It therefore, has no beneficial interest in these securities and accordingly they are not shown as assets on the Statement of Financial Position. During the year and preceding financial year, the Company did not trade, received no income and incurred no expenditure. Consequently, during those years, the Company made neither a profit nor a loss.

2. Going concern basis

The Financial Statements have been prepared on a going concern basis.

3. Significant accounting policies

a) Statement of compliance

The Financial Statements have been in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRSs") and are in compliance with Companies Act 2006.

The Financial Statements were authorised for issue by the Board of Directors on 15 March 2018.

b) Basis of preparation

The Financial Statements are presented in United States Dollars (US$), which is the functional currency of the Company. They are prepared on historical cost basis.

The preparation of Financial Statements in conformity with adopted IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Management believes that there are no critical accounting estimates which involve significant judgement and assessment.

Standards and Interpretations effective in the current period

The Company has adopted the following amendments in the current period:

- Amendments to IAS 12: Income Taxes: In January 2016, the IASB issued 'Recognition of Deferred Tax Assets for Unrealised Losses' (Amendments to IAS 12). The Amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value. The adoption of the Amendments to IAS 12 on 1 January 2017 did not have a material impact to the Company's financial position, results of operation or cash flows.
- Disclosure Initiative (Amendments to IAS 7): In January 2016, the IASB issued amendments to IAS 7 as part of their Disclosure Initiative. The Amendments require enhanced statement of cash flow disclosures regarding changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes. As the Amendments to IAS 7 impact disclosures only, the adoption on 1 January 2017 did not have an impact to the Company's financial position, results of operation or cash flows.
- Annual Improvements to IFRSs 2014-2016 Cycle: In December 2016, the IASB issued 'Annual Improvements to IFRSs 2014-2016 cycle' (Improvements to IFRSs 2014-2016). The adoption of the Improvements to IFRSs 2014-2016 on 1 January 2017, did not have a material impact on the Company's financial position, results of operation or cash flows.

Notes to the Financial Statements for the year ended 31 December 2017

Standards and Interpretations endorsed by the EU and not yet effective

The Company is not yet required to adopt the following standards and interpretations which are issued by the IASB but not yet effective:

- IFRS 9 Financial Instruments: IFRS 9 Financial Instruments: In November 2009 the IASB issued IFRS 9 'Financial Instruments' (IFRS 9) covering the classification and measurement of financial assets which introduces new requirements for classifying and measuring financial assets. In October 2010, the IASB reissued IFRS 9, which incorporated new requirements on the accounting for financial liabilities. In July 2014, the IASB issued IFRS 9 as a complete standard. The Standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. The amendments to IFRS 7 resulting from IFRS 9 also require new disclosures as well as the revision of current disclosure requirements. IFRS 9 is effective for annual periods beginning on or after 1 January 2018.
- Under IFRS 9, financial assets will be classified on the basis of two criteria: 1) the business model of how the financial assets are managed and 2) the contractual cash flow characteristics of the financial asset. These factors will determine whether the financial assets are measured at Amortized Cost, Fair value through Other Comprehensive Income (FVOCI) or Fair value through Profit & Loss (FVTPL). The accounting for financial liabilities remains largely unchanged except for those financial liabilities designated at fair value through profit or loss, where the gains and losses arising from changes in credit risk will be presented in Other Comprehensive Income rather than profit or loss.
- Under IFRS 9, the new impairment requirements will primarily apply to financial assets measured at amortized cost and fair value through other comprehensive income as well as certain loan commitments and financial guarantee contracts. The impairment requirements will change from an incurred loss model to an expected credit loss ("ECL") model by incorporating reasonable and supportable forecasts of future economic conditions available at the reporting date. In terms of short-term cash balances, the Company will measure expected credit losses by applying a probability to default/loss-given default approach ("PD/LGD approach"). Under the PD/LGD approach, term structures of point-in-time, forward-looking PDs, LGDs and exposure at defaults will be estimated. These PD, LGD and EAD parameters will form the basis to estimate expected credit losses for the short remaining life of the cash balances.
- The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all fee receivables. To measure the expected credit losses, the Company will apply a provision matrix in the form of aging analysis, including relevant forward looking information. Under the new impairment guidance there will be no change to the write-off policy compared to IAS 39. The adoption of IFRS 9 on 1 January 2018 did not have any material impact on the entity's financial position, results of operations or cash flows.

Standards and Interpretations not endorsed by the EU and not yet effective.

The Company is not yet required to adopt the following standards and interpretations which are issued by the IASB but not yet effective and have not yet been endorsed by the EU.

- IFRIC 23: In June 2017, the IASB issued IFRIC 23 "Uncertainty over Income Tax Treatments" (IFRIC 23). FRIC 23 clarifies the accounting for uncertainties in income taxes and is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. IFRIC 23 is effective for annual periods beginning on or after 1 January 2019. The Company is currently evaluating the impact of adopting IFRIC 23 on the Company's financial position, results of operations and cash flows.

4. Share capital

	31 December 2017 US$	31 December 2016 US$
Authorised:		
100 ordinary shares of £1 each	152	152
Allotted, called up and fully paid		
2 ordinary shares of £1 each	3	3

Notes to the Financial Statements for the year ended 31 December 2017

The holders of ordinary shares have voting rights and the right to receive dividends.

During the year, the Company made no share issues (2016: US$ Nil) and no dividends were paid or declared (2016: US$ Nil).

Capital management

The Board's policy is to maintain an adequate capital base so as to enable smooth operation of the Company's activities.

The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued capital and retained earnings. The Company is not subject to externally imposed capital requirements.

The Company funds its operations through equity. This includes assessing the need to raise additional equity where required.

There were no changes in the Company's approach to capital management during the year.

5. Related party transactions

The Company is a subsidiary undertaking of Credit Suisse Securities (Europe) limited which is incorporated in the United Kingdom. The ultimate holding company is Credit Suisse Group AG which is incorporated in Switzerland.

Copies of group Financial Statements of Credit Suisse AG and Credit Suisse Group AG, which are those of the smallest and the largest groups in which the results of the Company are consolidated, are available to the public and may be obtained from Credit Suisse Group AG, Paradeplatz 8, 8001 Zurich, Switzerland.

During the course of its business, the Company entered into agreements and transactions with related parties as follows:

a) Related party assets

	31 December 2017	31 December 2016
	Parent US$	**Parent US$**
Assets		
Amounts due from related company	4	4
Total assets	**4**	**4**

The book value of receivables approximates their fair value. The receivables represent a non-interest bearing asset which is repayable on demand.

b) Remuneration of Directors and Key Management Personnel

The Directors and Key Management Personnel did not receive any remuneration in respect of their services as Directors of the Company (2016: US$ Nil). The Directors and Key Management Personnel are employees of its related companies and the Company does not reimburse its related companies for the services rendered by these Directors and Key Management Personnel.

All Directors benefited from qualifying third party indemnity provisions.

c) Loans and advances to Directors and Key Management Personnel

There were no loans or advances made to Directors or Key Management Personnel by the Company during the year (2016: US$ Nil).

Notes to the Financial Statements for the year ended 31 December 2017

d) Liabilities due to pension funds

The Company has no employees and therefore does not have any liabilities with regard to pension funds.

6. Employees' remuneration

The Company had no employees during the year (2016: Nil). The Company receives a range of administrative services from related companies within the Credit Suisse Group. Credit Suisse Group companies have borne the cost of these services.

7. Financial risk management

The Company's activities are mainly exposed to operational risk. The Company is not exposed to any material credit, liquidity, foreign exchange, interest-rate or operational risk.

The exposures to risk are regularly evaluated as part of the risk management programme. The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Credit Suisse Group AG, of which the Company is a part, manages its risks under global policies. The Credit Suisse Group AG risk management process is designed to ensure that there are sufficient controls to measure, monitor and control risks in accordance with Credit Suisse Group AG's control framework and in consideration of industry best practices. The primary responsibility for risk management lies with Credit Suisse Group AG's senior business line managers. They are held accountable for all risks associated with their businesses, including counterparty risk, market risk, liquidity risk, operational risk, legal risk and reputational risk.

8. Subsequent events

There are no subsequent events to the year-end which require disclosure or adjustments as at the date of this report.