

COMPANY NO: 04683428

ATLANTIC EQUITIES SERVICE COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

◆ *Year ended 31 March 2014* ◆

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ATLANTIC EQUITIES SERVICE COMPANY LIMITED

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ATLANTIC EQUITIES SERVICE COMPANY LIMITED

COMPANY INFORMATION

Directors	Rupert Della-Porta Christopher Middleton
Registered office	20-22 Bedford Row London WC1R 4JS
Registered number	04683428
Auditor	Grant Thornton UK LLP Chartered Accountants and Statutory Auditor 30 Finsbury Square London EC2P 2YU
Bankers	Coutts & Co 188 Fleet Street London EC4A 2HT

STRATEGIC REPORT

Business overview

The group consists of Atlantic Equities Service Company Limited ("the company") and Atlantic Equities (US) Inc ("AEUS") (collectively "the group"). The group provides management services to its parent undertaking, Atlantic Equities LLP ("the LLP") in support of the LLP's business as an independent investment research broker.

The company is the corporate member and wholly owned subsidiary of the LLP.

The board of directors is responsible for the overall stewardship of the group.

The group's performance for the year and future outlook are contained in the Report of the Directors on page 3 which forms part of the Strategic Report.

Principal risks and uncertainties

The group provides management services to the LLP and as such is indirectly exposed to the risks and uncertainties faced by the LLP as described below:


- Loss of reputation – if the research product is of poor quality or lacks coverage, the LLP risks losing its reputation;
- Regulatory – as a regulated business in the UK, breach of regulatory rules may lead to sanctions by the Financial Conduct Authority, and new regulations may impose undue pressure on the group's infrastructure;
- Operational – failure of its operational systems or those of third party service providers may disrupt the group's ability to provide its services;
- Financial – inadequate controls or policies could lead to misappropriation of assets and failure to comply with accounting standards and related regulations;
- Foreign exchange risk – the group is exposed to foreign exchange risk as evidenced by its operations in the US and creditor balances, some of which are denominated in foreign currency;
- Credit – the group is exposed to the LLP and holds cash with Coutts & Co bank; and
- Liquidity – cash is insufficient for the group to meet its obligations associated with financial liabilities.

The directors seek to mitigate and manage each of these risks by formally reviewing all risks and establishing appropriate procedures and controls to monitor and mitigate them. The financial and regulatory compliance functions are outsourced to a third party provider thus offering a degree of independence during the process of control.

Key performance indicators

The level of turnover that the group earns from the LLP is its key performance indicator. For the year ended 31 March 2014 the group had a turnover of approximately £7.0m (2013: £8.0m) representing a 12% decrease and reflecting a fall in the demand for its services in difficult markets.

The Strategic Report was approved by the Board on 2 July 2014 and was signed on its behalf by:


Rupert Della-Porta
Director

REPORT OF THE DIRECTORS

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

Principal activities

The principal activity of the group is the provision of management services to Atlantic Equities LLP (the "LLP").

Results and dividends

The group profit for the year after tax amounted to £171,628 (2013: loss £862,825). The company made a profit after tax of £173,978 (2013: loss £820,780).

The company continues to provide management services to the LLP and during the year received £6,421,050 (2013: £7,231,654) to cover its expenses in carrying on the business of the LLP. In addition the company received from the LLP a profit allocation of £50,000 (2013: £153,133).

During the year an interim dividend of £Nil (2013: £Nil) was paid. The directors do not propose to pay a final dividend (2013: £Nil).

Future developments

In the prior year, following the decision to close its wholly owned subsidiary, Atlantic Equities LLC ("the LLC"), a company incorporated in the United States of America, the company wrote down the value of its investment in the LLC to the recoverable amount thus resulting in a significant loss. The current year has seen a return to profitability and the directors expect this to continue in the future.

Principal risks and uncertainties

All principal risks are described in the Strategic Report on page 2.

Directors and their interests

The directors of the company at 31 March 2014 are set out on page 1 and held office throughout the year unless otherwise stated.

During the period, rights to subscribe for shares in the company have not been granted to, or exercised by, any director or member of his immediate family.

REPORT OF THE DIRECTORS (CONTINUED)

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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 and profit or loss of the company and group 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 applicable United Kingdom 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 the company will continue in business.

The directors are responsible for keeping adequate 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.

The directors confirm that:

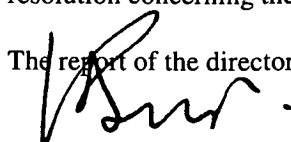
- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Grant Thornton UK LLP have indicated their willingness to continue in office as auditor. A resolution concerning their reappointment will be proposed at the annual general meeting.

The report of the directors was approved by the Board on 2 July 2014 and signed on its behalf by:



Rupert Della-Porta
Director

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
ATLANTIC EQUITIES SERVICE COMPANY LIMITED**

We have audited the financial statements of Atlantic Equities Service Company Limited for the year ended 31 March 2014 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement and notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 (APB'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/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2014 and of the group's 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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.

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
ATLANTIC EQUITIES SERVICE COMPANY LIMITED
(continued)**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



David Pearson
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London, England

2 July 2014

ATLANTIC EQUITIES SERVICE COMPANY LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2014

	Note	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £
Turnover	1 & 2		
Continuing operations		7,035,249	7,964,961
Discontinued operations		-	1,777,893
Administrative expenses		<u>(6,793,581)</u>	<u>(9,641,697)</u>
Operating profit/(loss)	4		
Continuing operations		241,668	499,997
Discontinued operations		<u>-</u>	<u>(398,840)</u>
		241,668	101,157
Loss on disposal of discontinued operations		-	(780,416)
Bank interest receivable		202	812
Bank interest payable		(6,997)	(27,207)
Loss on investments		<u>-</u>	<u>(42,266)</u>
Profit/(loss) on ordinary activities before taxation		234,873	(747,920)
Taxation	7	<u>(63,245)</u>	<u>(114,905)</u>
Profit/(loss) for the financial year after taxation	14	<u>171,628</u>	<u>(862,825)</u>

The group had no recognised gains or losses other than the profit for the financial year.

The notes on pages 9 to 18 form part of these financial statements.

ATLANTIC EQUITIES SERVICE COMPANY LIMITED

CONSOLIDATED AND COMPANY BALANCE SHEETS
at 31 March 2014

	Note	Group 31 March 2014 £	Company 31 March 2014 £	Group 31 March 2013 £	Company 31 March 2013 £
Fixed assets					
Tangible assets	8	64,043	62,850	90,630	88,636
Investments	9	-	600	-	77,312
		64,043	63,450	90,630	165,948
Current assets					
Debtors	10	855,669	770,710	2,612,870	2,483,432
Cash at bank and in hand		228,543	198,980	209,235	98,702
		1,084,212	969,690	2,822,105	2,582,134
Creditors: Amounts falling due within one year	11	(875,749)	(784,520)	(2,807,541)	(2,669,124)
Net current assets/(liabilities)		208,463	185,170	14,564	(86,990)
Total assets less current liabilities		272,506	248,620	105,194	78,958
Provisions for liabilities and charges	12	(4,644)	(4,644)	(8,960)	(8,960)
Net assets		267,862	243,976	96,234	69,998
Capital and reserves					
Called up share capital	13	640,000	640,000	640,000	640,000
Profit and loss account	14	(372,138)	(396,024)	(543,766)	(570,002)
Shareholder's funds	15	267,862	243,976	96,234	69,998

The financial statements were approved by the Board on 2 July 2014 and signed on its behalf by:



Christopher Middleton
Director
Atlantic Equities Service Company Limited
Company No: 04683428

The notes on pages 9 to 18 form part of these financial statements.

ATLANTIC EQUITIES SERVICE COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31 March 2014

	Note	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £
Net cash (outflow)/inflow from operating activities	16	(1,505,360)	804,005
Returns on investment and servicing of finance			
Interest received		202	812
Interest paid		(6,997)	(28,935)
		(6,795)	(28,123)
Taxation paid		(118,375)	(115,091)
Capital expenditure			
Purchase of tangible fixed assets		(18,825)	(42,645)
Acquisitions and Disposals			
Purchase of investments		-	(64,875)
Proceeds from sale of investments		-	22,608
		-	42,267
Financing			
Issue of ordinary shares		-	629,924
Repayment of bank loan facility		-	(940,520)
Repayment of loan from Atlantic Equities LLP		1,692,180	-
Advance of loan to Atlantic Equities LLP		-	(949,573)
		1,692,180	(1,260,169)
Increase/(decrease) in cash	17	42,825	(684,290)
Reconciliation of net cash flow to movement in net funds:			
Increase/(decrease) in cash in the year (as above)		42,825	(684,290)
Foreign exchange differences		(23,517)	28,897
Movement in net funds in the year		19,308	(655,393)
Net funds at 1 April 2013		209,235	864,628
Net funds at 31 March 2014	17	228,543	209,235

The notes on pages 9 to 18 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared on a going concern basis in accordance with applicable UK accounting standards under the historical cost convention. As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the company has not been separately presented in the financial statements.

Basis of consolidation

The group accounts consolidate the accounts of the company and its subsidiary undertaking at 31 March 2014. The accounts of the overseas subsidiary are translated into pounds sterling at the closing rate of exchange.

Accounting for acquisition of subsidiaries

On acquisition the assets and liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the net assets acquired is recognised as goodwill on consolidation. The results of any subsidiary acquired during the year are included in the consolidated profit and loss from the effective date of acquisition.

Provisions

Where the incident of a liability which has been incurred is uncertain, a provision is made of the estimated liability incurred at the balance sheet date.

Turnover

Turnover comprises a reimbursement of expenses incurred on behalf of Atlantic Equities LLP ("the LLP"), a partnership of which the company is a corporate member, and is accounted for on the accruals basis (see note 2). In addition it includes a profit allocation from the LLP.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at 31 March 2014. Exchange differences are taken to the profit and loss account.

Depreciation

Depreciation is provided on a straight line basis to allocate the cost, less estimated residual value, of the tangible fixed assets over their estimated useful lives:-

Office equipment	-	3 years
Computer equipment	-	3 years
Leasehold improvements	-	5 years

Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write down would be charged to operating profit.

1. ACCOUNTING POLICIES (CONTINUED)**Leased Assets**

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the leases.

Fixed Asset Investments

These consist of an investment in the company's wholly owned subsidiary, namely Atlantic Equities (US) Inc. which is held at cost.

Taxation

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by Financial Reporting Standard 19.

2. TURNOVER

The turnover for the period is attributable to service management fees received to cover expenses incurred in the operational support of Atlantic Equities LLP ("the LLP"). In addition, turnover includes a profit allocation from the LLP.

3. SUBSIDIARY COMPANIES

Atlantic Equities (US) Inc. ("AEUS"), a company incorporated in the United States of America, is a wholly owned subsidiary of the company and is included in the consolidation. The principal activity of AEUS is the provision of management services. For the year ended 31 March 2014, AEUS made a profit after tax of the equivalent of £Nil (2013: £39,532).

4. OPERATING PROFIT

	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £
The operating profit is stated after charging:		
Auditor's remuneration –		
Fees payable to the company's auditor for the audit of the annual financial statements of the company	11,000	17,000
Fees payable to the company's auditor and its associates for other services:		
– other services relating to taxation	23,918	19,820
Operating lease rentals – property	219,264	219,264
Depreciation	45,234	56,871
Foreign exchange differences	23,517	10,018

5. DIRECTORS' REMUNERATION

	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £
Emoluments	32,500	32,500
Gain on crystallisation of CFD contracts	-	462,914
	<u>32,500</u>	<u>495,414</u>

The highest paid director received remuneration of £17,500 (2013: £374,398).

6. STAFF COSTS

	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £
Wages and salaries	3,525,443	3,876,190
Social security costs	359,124	317,863
	<u>3,884,567</u>	<u>4,194,053</u>

The average monthly number of employees and directors was as follows:

	No.	No.
Directors	2	2
Others	34	36
Office and management	<u>36</u>	<u>38</u>

7. TAXATION

	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £
UK corporation tax at 23% (2013: 24%)	<u>67,785</u>	<u>120,486</u>
Tax charge in respect of current year	67,785	120,486
Prior year adjustments	(224)	(221)
Deferred tax	<u>(4,316)</u>	<u>(5,360)</u>
	<u>63,245</u>	<u>114,905</u>

ATLANTIC EQUITIES SERVICE COMPANY LIMITED

7. TAXATION (CONTINUED)

The current taxation charge for the year is different from the rate of corporation tax in the UK (23%) (2013: 24%). The differences are explained below.

	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £
Profit/(loss) on ordinary activities before taxation	234,873	(747,920)
Theoretical tax at UK corporation tax rate of 23% (2013: 24%)	54,021	(179,501)
Effects of:		
- Depreciation in excess of capital allowances	3,874	4,971
- Other expenditure which is not tax deductible	10,843	14,704
- Non taxable income	-	56,072
- Loss on disposal of investments	-	299,731
- Adjustment to LLP profit allocation	-	1
- Marginal relief	(1,491)	-
- Overseas taxation	-	527
- Dividend from overseas subsidiary	-	39,550
- Discontinued operations	-	(102,288)
- Other	538	(13,281)
Actual current tax charge	67,785	120,486

8. FIXED ASSETS

Group

	Office Equipment £	Computer Equipment £	Leasehold Improvements £	Total £
Cost:				
At 1 April 2013	107,761	263,440	101,969	473,170
Movement on translation	-	(357)	-	(357)
Additions	1,835	16,990	-	18,825
At 31 March 2014	109,596	280,073	101,969	491,638
Depreciation:				
At 1 April 2013	103,620	234,799	44,121	382,540
Movement on translation	-	(179)	-	(179)
Charge for the year	4,341	20,499	20,394	45,234
At 31 March 2014	107,961	255,119	64,515	427,595
Net book value:				
At 31 March 2014	1,635	24,954	37,454	64,043
At 31 March 2013	4,141	28,641	57,848	90,630

ATLANTIC EQUITIES SERVICE COMPANY LIMITED

8. FIXED ASSETS (CONTINUED)

Company

	Office Equipment £	Computer Equipment £	Leasehold Improvements £	Total £
Cost:				
At 1 April 2013	107,761	259,430	101,969	469,160
Additions	1,835	16,990	-	18,825
At 31 March 2014	109,596	276,420	101,969	487,985
Depreciation:				
At 1 April 2013	103,620	232,783	44,121	380,524
Charge for the year	4,341	19,876	20,394	44,611
At 31 March 2014	107,961	252,659	64,515	425,135
Net book value:				
At 31 March 2014	1,635	23,761	37,454	62,850
At 31 March 2013	4,141	26,647	57,848	88,636

9. INVESTMENTS

	Group £	Company £
At 1 April 2013	-	77,312
Additions	-	-
Disposals	-	(76,712)
At 31 March 2014	-	600

Investments relate to shares in group undertakings (note 3). The disposal relates to the company's former wholly owned subsidiary, Atlantic Equities LLC, which was carried at its net book value at 1 April 2013 having discontinued operations during the year ended 31 March 2013 and filed articles of dissolution in April 2013.

ATLANTIC EQUITIES SERVICE COMPANY LIMITED

10. DEBTORS

	Group 31 March 2014 £	Company 31 March 2014 £	Group 31 March 2013 £	Company 31 March 2013 £
Other debtors	25,125	9,071	57,639	20,098
Prepayments and accrued Income	105,557	97,382	111,765	107,589
Amounts due from Atlantic Equities LLP	517,684	344,327	2,209,864	2,000,021
Amounts due from Atlantic Equities (US) Inc.	-	112,627	-	94,450
Amounts due from Atlantic Equities LLC	-	-	-	27,672
Recoverable VAT	55,053	55,053	84,965	84,965
	<hr/>			
Amounts falling due within one year	703,419	618,460	2,464,233	2,334,795
Amounts falling due after more than one year:				
Rent deposit	152,250	152,250	148,637	148,637
	<hr/>			
	855,669	770,710	2,612,870	2,483,432
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11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 31 March 2014 £	Company 31 March 2014 £	Group 31 March 2013 £	Company 31 March 2013 £
Trade creditors	83,749	82,846	92,506	88,059
Other creditors	5	-	26,994	26,994
Corporation tax payable	67,785	67,785	107,265	107,265
Other taxes & social security	44,847	44,847	62,399	62,399
Accruals	679,363	589,042	2,518,377	2,384,407
	<hr/>			
	875,749	784,520	2,807,541	2,669,124
	<hr/>			

ATLANTIC EQUITIES SERVICE COMPANY LIMITED

12. PROVISIONS FOR LIABILITIES AND CHARGES

	Group Year ended 31 March 2014 £	Company Year ended 31 March 2014 £	Group Year ended 31 March 2013 £	Company Year ended 31 March 2013 £
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Deferred taxation provided:

Accelerated capital allowances	8,960	8,960	8,960	8,960
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The movement in accelerated capital allowances is as follows:

At 1 April 2013	8,960	8,960	14,320	14,320
Movement	(4,316)	(4,316)	(5,360)	(5,360)
At 31 March 2014	4,644	4,644	8,960	8,960

Deferred tax has been provided at 21% (2013: 23%), the company's current rate of corporation tax, because of uncertainty as to the average rate of tax that will apply when the underlying timing differences will reverse.

The company carries forward a capital loss ("the Capital Loss") of £1,206,614 in respect of the closure of a US subsidiary. No deferred tax asset has been recognised as it is unlikely that such asset will be recoverable in the foreseeable future out of suitable taxable profits from which the reversal of timing differences can be deducted. The amount of unrecognised deferred tax at 31 March 2014 in respect of the Capital Loss is £253,389 (2013: £277,521).

13. CALLED UP SHARE CAPITAL

Group and Company	31 March 2014 £	31 March 2013 £
Allotted -		
640,000 ordinary shares of £1 (2013: 640,000)	640,000	640,000
Called up and fully paid -		
640,000 ordinary shares of £1 (2013: 640,000)	640,000	640,000

14. RESERVES

	Group Profit and loss account £	Company Profit and loss account £
At 1 April 2013	(543,766)	(570,002)
Profit for the financial year after tax	171,628	173,978
At 31 March 2014	(372,138)	(396,024)

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Group Year ended 31 March 2014 £	Company Year ended 31 March 2014 £	Group Year ended 31 March 2013 £	Company Year ended 31 March 2013 £
Opening shareholders' funds	96,234	69,998	329,135	260,854
Profit/(loss) for the financial year after tax	171,628	173,978	(862,825)	(820,780)
Issue of ordinary £1 shares	-	-	629,924	629,924
Closing shareholders' funds	267,862	243,976	96,234	69,998

16. RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £
Operating profit	241,668	101,157
Depreciation	45,234	56,871
Amortisation of goodwill	-	(74,116)
Decrease in debtors	75,432	356,192
(Decrease)/increase in creditors	(1,891,211)	392,798
Foreign exchange differences	23,517	(28,897)
Net cash (outflow)/inflow from operating activities	(1,505,360)	804,005

17. ANALYSIS OF NET FUNDS

Group	At 1 April 2013 £	Cash inflow £	Non-cash movement £	At 31 March 2014 £
Net cash				
Cash at bank and in hand	209,235	42,825	(23,517)	228,543
Net funds	209,235	42,825	(23,517)	228,543

ATLANTIC EQUITIES SERVICE COMPANY LIMITED

18. FINANCIAL COMMITMENTS – OPERATING LEASES

As at 31 March 2014 the company had annual commitments under operating leases as follows:

	31 March 2014 £	31 March 2013 £
Land and buildings: leases expiring:		
Between 5 and 10 years	<u>253,000</u>	<u>253,000</u>
	<u>253,000</u>	<u>253,000</u>

19. RELATED PARTY TRANSACTIONS

Atlantic Equities Service Company Limited (“AE Limited”) is the corporate member of Atlantic Equities LLP (the “LLP”). During the year the LLP paid AE Limited service management fees of £6,421,050 (2013: £7,231,654) to cover expenses incurred in the operational support of the LLP. In addition AE Limited received a profit allocation of £50,000 (2013: £153,133). At 31 March 2014 the LLP owed the company £344,327 (2013: £2,000,021).

Atlantic Equities (US) Inc. (“AEUS”) provides management services to the LLP. During the year the LLP paid AEUS service management fees of £564,199 (2013: £579,022) to cover expenses incurred by AEUS in the provision of such services. At 31 March 2014 the LLP owed AEUS £173,357 (2013: £169,555).

20. CONTROLLING PARTIES

The members of Atlantic Equities LLP are the ultimate controlling parties of the group and company. There is no single controlling party of the group or company.