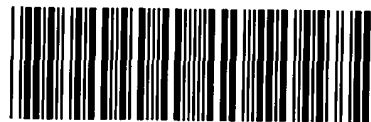


Company Registration No. 06058014 (England and Wales)

ION ASSET ARCHITECTURE UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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ION ASSET ARCHITECTURE UK LIMITED

COMPANY INFORMATION

Director	Dennis Lohfert
Company number	06058014
Registered office	43-45 Dorset Street London W1U 7NA
Auditor	Fisher, Sassoon & Marks 43 - 45 Dorset Street London W1U 7NA

ION ASSET ARCHITECTURE UK LIMITED

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ION ASSET ARCHITECTURE UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The director presents the strategic report for the year ended 31 December 2016.

Fair review of the business

The results for the year are acceptable and reflect the uncertain trading conditions experienced by the industry.

The board of directors have formalised a strategy that is expected to improve the performance of the company for the subsequent periods.

Development and performance

At the year end the company had net assets of £834,240 (2015 - £703,471).

Key performance indicators

The KPI's are current ratio which has decreased to 4.35 (2015 - 4.51) and net profit margin which has increased to 7.6% (2015 - 1.30%) due to an increase in turnover.

On behalf of the board



Dennis Lohfert

Director

12 April 2017

ION ASSET ARCHITECTURE UK LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The director presents his annual report and financial statements for the year ended 31 December 2016.

Principal activities

The principal activity of the company relates to the provision of consultancy and hedge fund advisory services to the parent company and other funds.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Dennis Lohfert

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Financial instruments

Treasure operations and Financial instruments

The company operates a treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the company's activities.

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Interest rate risk

The company does not use interest rate derivatives to manage its exposure to changes in interest rates.

Foreign currency risk

The company's principal foreign currency exposures arise from making foreign currency transactions. The company does not hedge in order to fix the cost in sterling.

Credit risk

Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Post reporting date events

There are no matters to report.

Auditor

The auditor, Fisher, Sassoon & Marks, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

ION ASSET ARCHITECTURE UK LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Dennis Lohfert
Director
12 April 2017

ION ASSET ARCHITECTURE UK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ION ASSET ARCHITECTURE UK LIMITED

We have audited the financial statements of Ion Asset Architecture UK Limited for the year ended 31 December 2016 set out on pages 6 to 19. 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 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 director and auditor

As explained more fully in the Director's Responsibilities Statement set out on 2 - 3, the director is 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 FRC's website at 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 company's affairs as at 31 December 2016 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ION ASSET ARCHITECTURE UK LIMITED

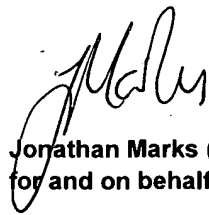
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ION ASSET ARCHITECTURE UK LIMITED

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jonathan Marks (Senior Statutory Auditor)
for and on behalf of Fisher, Sassoon & Marks

12 April 2017

Chartered Accountants
Statutory Auditor

43 - 45 Dorset Street
London
W1U 7NA

ION ASSET ARCHITECTURE UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Turnover	3	2,222,588	2,074,711
Cost of sales		(198,751)	(204,027)
Gross profit		2,023,837	1,870,684
Administrative expenses		(1,855,743)	(1,844,931)
Operating profit	4	168,094	25,753
Interest receivable and similar income	7	1,163	1,264
Profit before taxation		169,257	27,017
Taxation	8	(38,488)	(8,058)
Profit for the financial year	15	130,769	18,959

The profit and loss account has been prepared on the basis that all operations are continuing operations.

ION ASSET ARCHITECTURE UK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	9		33,624		58,629
Investments	10		8,486		-
			<u>42,110</u>		<u>58,629</u>
Current assets					
Debtors	12	419,798		179,694	
Cash at bank and in hand		608,560		648,987	
		<u>1,028,358</u>		<u>828,681</u>	
Creditors: amounts falling due within one year	13	<u>(236,228)</u>		<u>(183,839)</u>	
Net current assets			<u>792,130</u>		<u>644,842</u>
Total assets less current liabilities			<u><u>834,240</u></u>		<u><u>703,471</u></u>
Capital and reserves					
Called up share capital	14		550,000		550,000
Profit and loss reserves	15		284,240		153,471
Total equity			<u><u>834,240</u></u>		<u><u>703,471</u></u>

The financial statements were approved and signed by the director and authorised for issue on 12 April 2017


Dennis Lohfert
Director

Company Registration No. 06058014

ION ASSET ARCHITECTURE UK LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2015		550,000	134,512	684,512
Year ended 31 December 2015:				
Profit and total comprehensive income for the year		-	18,959	18,959
		<hr/>	<hr/>	<hr/>
Balance at 31 December 2015		550,000	153,471	703,471
Year ended 31 December 2016:				
Profit and total comprehensive income for the year		-	130,769	130,769
		<hr/>	<hr/>	<hr/>
Balance at 31 December 2016		<u>550,000</u>	<u>284,240</u>	<u>834,240</u>

ION ASSET ARCHITECTURE UK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	19		(12,636)		2,181
Income taxes paid			(8,058)		(13,085)
Net cash outflow from operating activities			(20,694)		(10,904)
Investing activities					
Purchase of tangible fixed assets		(12,410)		(29,925)	
Proceeds on disposal of fixed asset investments		(8,486)		-	
Interest received		1,163		1,264	
Net cash used in investing activities			(19,733)		(28,661)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(40,427)		(39,565)
Cash and cash equivalents at beginning of year			648,987		688,552
Cash and cash equivalents at end of year			608,560		648,987

ION ASSET ARCHITECTURE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Ion Asset Architecture UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 43-45 Dorset Street, London, W1U 7NA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents fees receivable from the parent company for the provision of consultancy and hedge fund advisory services as well as performance fees from funds under Ion Asset Architecture UK Limited's management.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	3 Years Straight Line
Computer equipment	3 Years Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

ION ASSET ARCHITECTURE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

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

ION ASSET ARCHITECTURE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

ION ASSET ARCHITECTURE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

ION ASSET ARCHITECTURE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Turnover		
Fees	2,222,588	2,074,711
	<u> </u>	<u> </u>
Other significant revenue		
Interest income	1,163	1,264
	<u> </u>	<u> </u>

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	157	6,630
Fees payable to the company's auditors for the audit of the company's financial statements	6,275	6,025
Depreciation of owned tangible fixed assets	37,415	45,469
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Administration	3	4
IT	-	1
Traders	8	7
Development	2	2
Operations	2	2
	<u> </u>	<u> </u>
	15	16
	<u> </u>	<u> </u>

ION ASSET ARCHITECTURE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

5	Employees	(Continued)	
Their aggregate remuneration comprised:		2016 £	2015 £
	Wages and salaries	994,206	1,027,830
	Social security costs	120,519	123,338
	Pension costs	87,408	-
		<u>1,202,133</u>	<u>1,151,168</u>
6	Director's remuneration	2016 £	2015 £
	Remuneration for qualifying services	<u>125,000</u>	<u>125,000</u>
7	Interest receivable and similar income	2016 £	2015 £
	Interest income		
	Interest on bank deposits	<u>1,163</u>	<u>1,264</u>
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or loss	<u>1,163</u>	<u>1,264</u>
8	Taxation	2016 £	2015 £
	Current tax		
	UK corporation tax on profits for the current period	<u>38,488</u>	<u>8,058</u>

ION ASSET ARCHITECTURE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	169,257	27,017
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.02%)	33,851	5,409
Tax effect of expenses that are not deductible in determining taxable profit	100	104
Permanent capital allowances in excess of depreciation	(2,947)	(6,552)
Depreciation on assets not qualifying for tax allowances	7,483	9,094
Other permanent differences	1	3
Taxation for the year	38,488	8,058

9 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost			
At 1 January 2016	20,051	170,982	191,033
Additions	-	12,410	12,410
At 31 December 2016	20,051	183,392	203,443
Depreciation and impairment			
At 1 January 2016	11,014	121,390	132,404
Depreciation charged in the year	4,727	32,688	37,415
At 31 December 2016	15,741	154,078	169,819
Carrying amount			
At 31 December 2016	4,310	29,314	33,624
At 31 December 2015	9,037	49,592	58,629

10 Fixed asset investments

	2016 £	2015 £
Other investments	8,486	-

ION ASSET ARCHITECTURE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

10 Fixed asset investments		(Continued)
Movements in fixed asset investments		
		Other £
Cost or valuation		
At 1 January 2016		-
Additions		8,486
At 31 December 2016		8,486
Carrying amount		
At 31 December 2016		8,486
At 31 December 2015		-
11 Financial instruments		
	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	65,061	84,685
Equity instruments measured at cost less impairment	8,486	-
Carrying amount of financial liabilities		
Measured at amortised cost	161,670	142,263
12 Debtors		
	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	1,931	21,055
Other debtors	347,667	91,816
Prepayments and accrued income	70,200	66,823
	419,798	179,694

Other debtors includes a rent deposit in the sum of £63,130 (2015: £63,130) assigned to the landlord under a rent deposit agreement.

ION ASSET ARCHITECTURE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

13 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	81,003	45,020
Corporation tax	38,488	8,058
Other taxation and social security	36,070	33,518
Other creditors	37,226	34,994
Accruals and deferred income	43,441	62,249
	<u>236,228</u>	<u>183,839</u>

14 Share capital

	2016 £	2015 £
Ordinary share capital		
Authorised		
550,000 Ordinary Shares of £1 each	<u>550,000</u>	<u>550,000</u>
Issued and fully paid		
550,000 Ordinary Shares of £1 each	<u>550,000</u>	<u>550,000</u>

15 Profit and loss reserves

	2016 £	2015 £
At the beginning of the year	153,471	134,512
Profit for the year	<u>130,769</u>	<u>18,959</u>
At the end of the year	<u>284,240</u>	<u>153,471</u>

16 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows:

	2016 £	2015 £
Aggregate compensation	<u>125,000</u>	<u>125,000</u>

ION ASSET ARCHITECTURE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

16 Related party transactions

(Continued)

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Service fees	
	2016	2015
	£	£
Ion Asset Architecture Limited	2,210,000	1,960,000
	<u>2,210,000</u>	<u>1,960,000</u>

During the year the company received service fee income from the parent entity Ion Asset Architecture Limited in the sum of £2,210,000 (2015: £1,960,000).

17 Events after the reporting date

There are no matters to report.

18 Controlling party

The ultimate parent entity is Ion Asset Architecture Limited, an entity operating and registered in Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands.

19 Cash generated from operations

	2016	2015
	£	£
Profit for the year after tax	130,769	18,959
Adjustments for:		
Taxation charged	38,488	8,058
Investment income	(1,163)	(1,264)
Depreciation and impairment of tangible fixed assets	37,415	45,469
Movements in working capital:		
(Increase)/decrease in debtors	(240,104)	398,362
Increase/(decrease) in creditors	21,959(46)	7,403
Cash (absorbed by)/generated from operations	<u>(12,636)</u>	<u>2,181</u>

ION ASSET ARCHITECTURE UK LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016

ION ASSET ARCHITECTURE UK LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	£	2016 £	£	2015 £
Turnover				
Sales of goods		2,222,588		2,074,711
Cost of sales				
Direct costs	198,751		204,027	
		(198,751)		(204,027)
Gross profit		2,023,837		1,870,684
Administrative expenses		(1,855,743)		(1,844,931)
Operating profit		168,094		25,753
Investment revenues				
Bank interest received	1,163		1,264	
		1,163		1,264
Profit before taxation		169,257		27,017

ION ASSET ARCHITECTURE UK LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £	2015 £
Administrative expenses		
Wages and salaries	869,206	902,830
Social security costs	120,519	123,338
Staff welfare	12,459	14,291
Staff training and recruitment	53,364	84,109
Defined benefit scheme - pension contras	87,408	-
Directors' remuneration	125,000	125,000
Rent re licences and other	386,648	368,334
Premises insurance	443	415
Computer running costs	46,317	35,953
Travelling expenses	13,518	15,745
Professional subscriptions	2,588	4,207
Legal and professional fees	38,306	32,910
Consultancy fees	1,500	21,567
Non audit remuneration paid to auditors	800	100
Audit fees	6,275	6,025
Charitable donations	-	2,500
Bank charges	1,718	1,977
Printing and stationery	6,400	9,930
Telecommunications	42,152	42,363
Entertaining	500	520
Sundry expenses	3,050	718
Depreciation	37,415	45,469
Profit or loss on foreign exchange	157	6,630
	<hr/>	<hr/>
	1,855,743	1,844,931
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