

AllianceBernstein Holdings Limited

Annual Report

For the year ended 31 December 2017

Registered number: 07095980

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Directors and advisers

Directors	L Mangan M Manley
Company secretary	M Manley
Registered office	50 Berkeley Street London United Kingdom W1J 8HA
Bankers	HSBC Bank Plc 79 Piccadilly London W1V OEU
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT

Strategic report

For the year ended 31 December 2017

The directors present their strategic report for the year ended 31 December 2017.

Principal activities

AllianceBernstein Holdings Limited (the "company") was incorporated in England and Wales, under the Companies Act 2006, as a private company limited by shares, on 4 December 2009. The company's principal activity is to act as an intermediary holding company.

Business Review

The company has remained as the holding company of AllianceBernstein Limited, AllianceBernstein (Luxembourg) S.a.r.l throughout the year. During the year the company acquired all the issued share capital of AB Commercial Real Estate Debt Management III, S.a r.l., a newly incorporated Luxembourg entity.

Results and dividends

The company's loss for the year was £5,330 (2016 loss: £5,017).

No dividend has been recommended for payment by the directors (2016: £nil).

Key Performance Indicators (KPIs)

As the company's principal activity is to act as an intermediate holding company, the carrying value of the company's investments is the most relevant indicator of performance.

Risk Management

There are a number of risks and uncertainties which could impact the company, and to mitigate these risks the company operates under strict risk management controls. In light of the company's operating history, liquidity, risk management systems, and internal controls, the risk of an unanticipated insolvency and wind-up process is minimal. A more detailed assessment of individual risks is disclosed in the notes to the financial statements.

On behalf of the board



L. Mangan

Director

17th April 2018

Company registered number: 07095980

Registered office:
50 Berkeley Street
London
United Kingdom
W1J 8HA

Directors' report

For the year ended 31 December 2017

The directors present their annual report and the audited financial statements for the year ended 31 December 2017.

Directors

The directors who held office during the year and up to the date of signing the financial statements are as follows:

L Mangan
M Manley

Results and dividends

The company's loss for the year was £5,330 (2016 loss: £5,017). No dividend has been recommended for payment by the directors (2016: £nil).

Directors' insurance

AllianceBernstein L.P. maintains insurance for the Directors in respect of their duties as directors of the company, including third party indemnity. This was in force during the financial year and up to the date of signing the financial statements.

Creditor payment policy

The company agrees payment terms when entering into new business contracts with its suppliers. The company seeks to abide by the agreed terms whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

Risk management

A statement on financial risk management has been included in the Strategic Report on page 2.

Future developments

Currently there are no significant future developments for the company. The company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Statement of directors' responsibilities

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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), and applicable law).

Directors' report *(continued)*

For the year ended 31 December 2017

Statement of directors' responsibilities *(continued)*

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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

Disclosure of information to auditors

In the case of each of the persons who are directors at the time when this report is approved, so far as the directors are 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 to make themselves aware of any audit information and to establish that the company's auditors are aware of that information.

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the board



L Mangan
Director
17 April 2018

Company registered number: 07095980

Registered
office:
50 Berkeley
Street
London
United

Independent auditors' report to the members of AllianceBernstein Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, AllianceBernstein Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the statement of financial position as at 31 December 2017; the statement of income and retained earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Independent auditors' report to the members of AllianceBernstein Holdings Limited *(continued)*

Report on the audit of the financial statements (continued)

Reporting on other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Independent auditors' report to the members of AllianceBernstein Holdings Limited *(continued)*

Responsibilities for the financial statements and the audit (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Alex Bertolotti (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

17 April 2018

Statement of Income and Retained Earnings

For the year ended 31 December 2017

	Note	2017 £	2016 £
Revenue		-	-
Administrative expenses		(6,600)	(6,271)
Operating loss	3	(6,600)	(6,271)
Loss on ordinary activities before taxation		(6,600)	(6,271)
Tax on loss on ordinary activities	5	1,270	1,254
Loss for the financial year	12	(5,330)	(5,017)
Retained loss brought forward		(34,151)	(29,134)
Retained loss carried forward		(39,481)	(34,151)

All the amounts above are in respect of continuing operations.

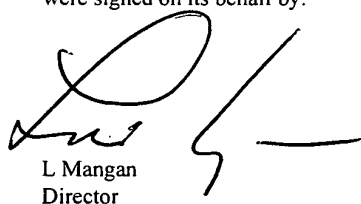
Further comments on the statement of income and retained earnings line items are presented in the notes to the financial statements on pages 10 to 15.

Statement of Financial Position
As at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	6	<u>20,787,116</u>	<u>20,776,546</u>
Current assets			
Trade receivables	7	1,271	1,255
Cash	8	<u>95</u>	<u>94</u>
		1,366	1,349
Creditors: amounts falling due within one year	9	<u>(103,206)</u>	<u>(87,289)</u>
Net current liabilities		(101,840)	(85,940)
Total assets less current liabilities		20,685,276	20,690,606
Net assets		<u>20,685,276</u>	<u>20,690,606</u>
Equity			
Called up share capital	10	20,724,757	20,724,757
Profit and loss account	12	<u>(39,481)</u>	<u>(34,151)</u>
Total equity	11	<u>20,685,276</u>	<u>20,690,606</u>

Further comments on the balance sheet line items are presented in the notes to the financial statements on pages 10 to 15.

These financial statements on pages 8 and 9 were approved by the board of directors on 2018 and were signed on its behalf by:


L Mangan
Director

17 April 2018

AllianceBernstein Holdings Limited
Co. Registered number: 07095980

Notes to the financial statements for the year ended 31 December 2017

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The principal accounting policies which have been applied consistently throughout the year are set out below.

Going Concern

The financial statements have been prepared on a going concern basis. The directors are satisfied that should the company lack sufficient cash or other liquid assets to enable it to carry on business as a going concern, the company may, for a period of no less than eighteen months, call upon its subsidiaries to advance the required amount.

Cash flow statement and related party disclosures

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholder. The company has taken advantage of the following exemptions:

The company is exempt from preparing a cash flow statement under FRS 102, paragraph 1.12, as it is a wholly owned subsidiary of a company which prepares consolidated financial statements which are publicly available. The consolidated financial statements of AllianceBernstein L.P., within which this company is included, can be obtained from the address given in Note 14.

The company is also exempt under FRS 102, paragraph 33, from the requirements concerning wholly owned group related party transaction disclosures.

The company is exempt under FRS 102, paragraph 11.4x, from the requirements concerning disclosure of financial instruments.

Consolidation Exemption

The financial statements contain information about AllianceBernstein Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under the Companies Act 2006 section 401 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, AllianceBernstein L.P., which are publicly available at <http://www.alliancebernstein.com/corporate/investor-relations/reports.htm>.

Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying values of these assets exceed their recoverable amount. The recoverable amount is the greater of net realisable value and value in use, and is determined based on management's assumptions and estimates.

Functional Currency

The functional currency of the company is pound sterling. Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes to the financial statements for the year ended 31 December 2017

(continued)

1 Accounting policies *(continued)*

Taxation

The charge for taxation is based on the results for the year ended 31 December 2017 and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all, available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis. As the company is a member of a group for corporation tax purposes, deferred tax assets will be recognised where losses will be passed to members of the group.

Dividend

The company would recognise revenue from dividends received on an accruals basis from the time a dividend is declared by one of its subsidiaries.

Critical accounting judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the date of the statement of financial position and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that the actual outcomes could differ from those estimates. All estimates and assumptions are best estimates undertaken in accordance with the applicable standard, and the directors are of the view that none have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.

No significant judgements have to be made by the directors in preparing these financial statement.

Notes to the financial statements for the year ended 31 December 2017
(continued)

2 Revenue

Revenue for the year was zero (2016: zero).

3 Operating loss

	2017	2016
	£	£
This is stated after charging:		
Auditors' remuneration - audit fees	<u>6,600</u>	<u>6,271</u>

4 Remuneration of directors

The directors did not receive any emoluments in respect of their services to the company during the financial year (year ended 31 December 2016: £nil). There were also no employees during the year (year ended 31 December 2016: nil).

Certain directors of the company have emoluments paid by related entities of the company, which make no recharge to the company. The remuneration of the directors is deemed to be wholly attributable to their services of their respective related entities. Accordingly, the above details include no remuneration in respect to these directors.

5 Tax on loss on ordinary activities

The taxation credit for the year is set out below:

	2017	2016
	£	£
Loss on ordinary activities before corporation taxation	<u>(6,600)</u>	<u>(6,271)</u>
UK corporation tax credit on losses for the year at 19.25% (2016: 20%)	<u>1,270</u>	<u>1,254</u>
Total tax	<u>1,270</u>	<u>1,254</u>

The company's losses are taxed at the standard rate of corporation tax of 19.25% (2016: 20%). No deferred tax charge was recognised during the year. The above tax credit has been recognised currently as a deferred tax asset.

Notes to the financial statements for the year ended 31 December 2017

(continued)

6	Investments		2017 £	2016 £
Shares in subsidiaries and associates				
	AB Arya Partners (Luxembourg) Management, S.a.r.l	Ordinary shares	12,006	12,006
	AB Commercial Real Estate Debt Management III, S.a.r.l	Ordinary shares	10,570	-
	AB Commercial Real Estate Debt Management, S.a.r.l	Ordinary shares	8,981	8,981
	AB Infrastructure Debt Management S.a.r.l	Ordinary shares	8,855	8,855
	AB Risk Premia Management, S.a.r.l	Ordinary shares	11,548	11,548
	AllianceBernstein (Luxembourg) S.a.r.l	Ordinary class B shares	11,090,226	11,090,226
	AllianceBernstein Limited	Ordinary class B shares	9,634,530	9,634,530
	AllianceBernstein Next 50 Emerging Markets (Luxembourg) Management, S.a.r.l	Ordinary shares	10,400	10,400
			<u>20,787,116</u>	<u>20,776,546</u>

The directors believe that the carrying value of the investments is supported by their underlying net assets.

Name of undertaking	% ownership issued shares	Registered Address	Country of incorporation	Principal activity
AB Arya Partners (Luxembourg) Management, S.a.r.l	100.00	2-4 rue Eugène Ruppert, L-2453 Luxembourg	Luxembourg	General partner of special limited partnership(s)
AB Commercial Real Estate Debt Management III, S.a.r.l	100.00	2-4 rue Eugène Ruppert, L-2453 Luxembourg	Luxembourg	General partner of special limited partnership(s)
AB Commercial Real Estate Debt Management, S.a.r.l	100.00	2-4 rue Eugène Ruppert, L-2453 Luxembourg	Luxembourg	General partner of special limited partnership(s)
AB Infrastructure Debt Management S.a.r.l	100.00	2-4 rue Eugène Ruppert, L-2453 Luxembourg	Luxembourg	General partner of special limited partnership(s)
AB Risk Premia Management, S.a.r.l	100.00	2-4 rue Eugène Ruppert, L-2453 Luxembourg	Luxembourg	General partner of special limited partnership(s)
AllianceBernstein (Luxembourg) S.a.r.l	79.75	2-4 rue Eugène Ruppert, L-2453 Luxembourg	Luxembourg	Administration and management of collective investments
AllianceBernstein Limited	49.95	50 Berkeley Street, London, United Kingdom, W1J 8HA	United Kingdom	Investment management services
AllianceBernstein Next 50 Emerging Markets (Luxembourg) Management, S.a.r.l	100.00	2-4 rue Eugène Ruppert, L-2453 Luxembourg	Luxembourg	General partner of special limited partnership(s)

Notes to the financial statements for the year ended 31 December 2017
(continued)

7 Trade receivables

	2017	2016
	£	£
Amounts falling due within one year		
Amounts owed by group undertakings	1	1
Deferred tax asset	1,270	1,254
Total receivables	1,271	1,255

The amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

In accordance with the company's accounting policies a deferred tax asset has been recognised of £1,270 (2016: £1,254 asset) in the balance sheet in the current year. ABHL is part of a group for corporation tax purposes. Losses incurred by one member of the group can be offset against taxable income of another member. The directors consider that it is more likely than not that ABHL losses will be offset against future taxable income of another member in the group, such as to realise the deferred tax asset, and therefore the asset has been recognized in these financial statements.

8 Cash

	2017	2016
	£	£
Cash at bank	95	94

9 Creditors: amounts falling due within one year

	2017	2016
	£	£
Amounts falling due within one year		
Amounts owed to group undertakings	98,798	81,018
Accruals and deferred income	4,408	6,271
	103,206	87,289

The amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

10 Called up share capital

	2017	2016
	£	£
Issued and fully paid		
20,724,757 (2016: 20,724,757) ordinary shares of £1 each	20,724,757	20,724,757

11 Reconciliation of movements in equity

	2017	2016
	£	£
At beginning of the year	20,690,606	20,695,623
Loss for the financial year	(5,330)	(5,017)
At end of the year	20,685,276	20,690,606

Notes to the financial statements for the year ended 31 December 2017

(continued)

12 Profit and loss account

	2017	2016
	£	£
At beginning of year	(34,151)	(29,134)
Loss for the financial year	(5,330)	(5,017)
At end of year	<u>(39,481)</u>	<u>(34,151)</u>

13 Financial risks

Credit Risk : Credit risk arises from cash deposits with banks and financial institutions as well as credit exposures in respect of outstanding receivables. The cash deposits with banks and high quality financial institutions are a means of minimising credit risk.

Foreign Exchange Risk : The company operates internationally and is exposed to foreign exchange risk arising primarily with respect to the US dollar and the Euro.

Liquidity Risk : The company's liquidity risk is mitigated to the extent that it is funded by its subsidiary AllianceBernstein Limited.

Interest Rate Risk : The only impact on income from interest rate fluctuations is on interest earned on cash balances.

Capital Risk Management

The company's objectives when managing capital are:

- to safeguard the company's ability to continue as a going concern;
- to provide returns for shareholders and benefits for other stakeholders;
- to maintain an optimal capital structure to reduce the cost of capital;
- to maintain financial strength to support new business growth; and
- to satisfy the requirements of its clients.

The board has a dividend payment policy in place which assesses the distributable reserves of the company and its cash flow position in its decision to pay dividends. The company is not subject to any base capital resources requirement.

14 Immediate and ultimate parent company

The company's immediate holding company is AllianceBernstein International LLC, a company established in Delaware, United States of America. AllianceBernstein L.P. (established in the State of Delaware, USA) is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2017. The consolidated financial statements can be obtained from AllianceBernstein L.P., 1345 Avenue of the Americas, New York, N.Y., USA.

The ultimate holding company and controlling party is AXA, S.A., a French holding company for an international group of companies.