

46 Parallels Limited

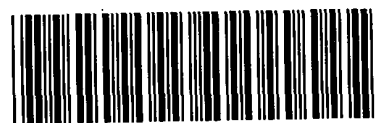
Report and Financial Statements

Year Ended

31 December 2015

Company Number 07624286

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46 Parallels Limited

Report and financial statements for the year ended 31 December 2015

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Directors

M Remington-Hobbs (resigned 9 June 2015)
B von Michel (resigned 9 June 2015)
J de Jager (appointed 8 June 2015)
T Jelinek (appointed 8 June 2015)

Registered office

37 Ixworth Place London, England, SW3 3QH

Company number

07624286

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU.

46 Parallels Limited

Report of the directors for the year ended 31 December 2015

The directors present their report and accounts for the year ended 31 December 2015.

Principal activities

The Company has been established to provide investment management advisory services and is regulated by the Financial Conduct Authority (FCA).

Results

The profit and loss account is set out on page 5 and shows a loss for the year of £1,325,328 (2014 - £555,628).

No dividends were proposed or paid into the holders of ordinary share capital (2014 - £Nil).

Directors

The following persons served as directors during the year:

M Remington-Hobbs	(resigned 9 June 2015)
B von Michel	(resigned 9 June 2015)
J de Jager	(appointed 8 June 2015)
T Jelinek	(appointed 8 June 2015)

No director had any interest in the share capital of the company.

Political and charitable donations

The company made no political or charitable contributions.

Going Concern

The Company has sufficient liquid resources, ongoing advisory agreements and a funding draw-down facility with its parent JMH Management Services Limited. As a consequence, the Directors are confident that the Company will continue to meet its liabilities for the foreseeable future and consider it appropriate to prepare the financial statements on the going concern basis.

46 Parallels Limited

Report of the directors for the year ended 31 December 2015 (continued)

Directors' responsibilities

The directors are responsible for preparing the strategic report, the 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 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 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 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

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

46 Parallels Limited

Report of the directors for the year ended 31 December 2015 (*continued*)

Auditor

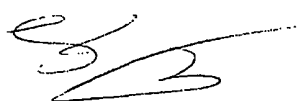
BDO LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting in accordance with Section 485 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 26 April 2016 and signed on its behalf.


T Jelinek
Director



Independent auditor's report

We have audited the financial statements of 46 Parallels Limited for the year ended 31 December 2015 which comprise the profit and loss account and statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes. 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).

Respective responsibilities of directors and auditors

Scope of the audit of the accounts

Opinion on the accounts

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

46 Parallels Limited

Independent auditor's report (*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, 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.

BDO LLP

Vanessa Jayne Bradley, Senior Statutory Auditor
For and on behalf of BDO LLP, statutory auditor
London
W1U 7EU

26 April 2016

46 Parallels Limited

Profit and loss account and statement of comprehensive income for the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover		-	283,857
Administrative expenses		(1,325,117)	(851,227)
Loss on ordinary activities before taxation	4	(1,325,117)	(567,370)
Exceptional items:			
Profit on the disposal of tangible fixed assets		-	11,742
Loss before tax		(1,325,117)	(555,628)
Tax on loss on ordinary activities	5	-	-
Loss for the financial year after tax		(1,325,117)	(555,628)
Statement of comprehensive income for the year ended 31 December 2015			
Loss for the financial year		(1,325,117)	(555,628)
Total comprehensive income for year		(1,325,117)	(555,628)

The notes on pages 9 to 16 form an integral part of these financial statements.

46 Parallels Limited

Balance sheet at 31 December 2015

<i>Company number 07624286</i>	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	6		1,054		2,815
Current assets					
Debtors	8	1,052,661		1,533,948	
Cash at bank and in hand		11,813		78,141	
		<u>1,064,474</u>		<u>1,612,089</u>	
Creditors: amounts falling due within one year	9	(701,297)		(1,275,556)	
Net current assets			<u>363,177</u>		<u>336,533</u>
Net assets			<u>364,231</u>		<u>339,348</u>
Capital and reserves					
Called up share capital	10		4,905,100		3,555,100
Profit and loss account	11		(4,540,869)		(3,215,752)
Shareholders' funds			<u>364,231</u>		<u>339,348</u>

The financial statements were approved by the Board of Directors and authorised for issue on 26 April 2016



T Jelinek
Director

The notes on pages 9 to 16 form an integral part of these financial statements.

46 Parallels Limited

Statement of changes in equity for the year ended 31 December 2015

	Share capital £	Profit and loss account £	Total equity £
Balance as at 1 January 2014	2,730,100	(2,660,124)	69,976
Comprehensive income for the year	-		
Profit for the year	-	(555,628)	(555,628)
	<hr/>	<hr/>	<hr/>
Issue of shares	825,000	-	825,000
Total comprehensive income for the year	825,000	(555,628)	269,372
	<hr/>	<hr/>	<hr/>
Balance as at 31 December 2014	3,555,100	(3,215,752)	339,348
	<hr/>	<hr/>	<hr/>
Balance as at 1 January 2015	3,555,100	(3,215,752)	339,348
Comprehensive income for the year			
Profit for the year	-	(1,325,117)	(1,325,117)
	<hr/>	<hr/>	<hr/>
Issue of shares	1,350,000	-	1,350,000
Total comprehensive income for the year	1,350,000	(1,325,117)	24,883
	<hr/>	<hr/>	<hr/>
Balance as at 31 December 2015	4,905,100	(4,540,869)	364,231
	<hr/>	<hr/>	<hr/>

The notes on pages 9 to 16 form an integral part of these financial statements.

46 Parallels Limited

Notes forming part of the financial statements for the year ended 31 December 2015

1 Accounting policies

Basis of preparation

46 Parallels Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the directors' report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

These financial statements are the first financial statements prepared under FRS 102, there has been no impact on equity or profit or loss, following the first time adoption of FRS 102 accounting policies from the transition date being 1 January 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The following principal accounting policies have been applied:

Going Concern

The company made a loss after tax for the year of £1,325,117 for its period of account and had net assets as at 31 December 2015 of £364,231.

The company's ultimate parent has confirmed the financial support for the next twelve month period and therefore the directors are satisfied that the Company's financial statements can be prepared on a going concern basis.

Revenue

Revenue from the sales of services is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the company will receive the previously agreed upon payment. These criteria are considered to be met when the services are delivered to the buyer.

Tangible fixed assets

Tangible fixed assets, are stated at historical cost less accumulated depreciation and any accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

46 Parallels Limited

Notes forming part of the financial statements for the year ended 31 December 2015 (*continued*)

1 Accounting policies (*continued*)

Depreciation

Depreciation on assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

The estimated useful lives range as follows:

Office equipment	-	25% per annum
Computer equipment	-	25% per annum

Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'sterling', which is the company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Operating Leases

Share of rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

46 Parallels Limited

Notes forming part of the financial statements for the year ended 31 December 2015 (*continued*)

1 Accounting policies (*continued*)

Pensions

Contributions to the company's defined contribution pension scheme are charged to profit or loss in the year in which they become payable.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether the Employee Share Ownership Plan (ESOP) should be considered to be under the control or de facto control of the parent company. The judgement that the parent company does exert de facto control has resulted in the ESOP's assets and liabilities being recognised on the parent company and consolidated balance sheets.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 6)

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

46 Parallels Limited

Notes forming part of the financial statements for the year ended 31 December 2015 (*continued*)

3 Employees

The company has no employees other than the directors, who did not receive any remuneration (2014 - £Nil).

4 Operating profit

	2015 £	2014 £
This has been arrived at after charging:		
Depreciation of owned fixed assets	1,761	2,400
Directors' remuneration	-	112,414
Bad debt expense	1,248,719	-
Auditors' remuneration	9,472	9,000
Foreign currency exchange loss	3,377	4,444
	<u> </u>	<u> </u>

5 Taxation on profit from ordinary activities

	2015 £	2015 £	2014 £	2014 £
<i>Current tax</i>				
UK corporation tax on profits of the year	-		-	
Adjustment in respect of previous years	-		-	
Total current tax	<u> </u>		<u> </u>	
<i>Deferred tax</i>				
Origination and reversal of timing differences	-		-	
Effect of reduced tax rate on opening liability	-		-	
	<u> </u>		<u> </u>	
Movement in deferred tax provision (note)		-		-
Taxation on profit on ordinary activities		<u> </u>		<u> </u>
		<u> </u>		<u> </u>

46 Parallels Limited

Notes forming part of the financial statements for the year ended 31 December 2015 (*continued*)

5 Taxation on profit from ordinary activities (*continued*)

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	2015 £	2014 £
Profit/loss on ordinary activities before tax	(1,325,117)	(555,628)
Profit/loss on ordinary activities at the standard rate of corporation tax in the UK of 20.00% (2014 - 21.25%)	(265,023)	(118,071)
Effects of:		
Expenses not deductible for tax purposes	1,855	961
Capital allowances for year in excess of depreciation	-	-
Losses available for group relief or carry forward	263,168	118,071
Adjustment to tax charge in respect of previous years	-	-
Current tax charge for year	-	-

6 Tangible assets

	Office equipment £	Computer equipment £	Total £
<i>Cost</i>			
At 1 January 2015 and at 31 December 2015	1,677	7,921	9,598
<i>Depreciation</i>			
At 1 January 2015	1,460	5,323	6,783
Charge for the year	217	1,544	1,761
At 31 December 2015	1,677	6,867	8,544
<i>Net book value</i>			
At 31 December 2015	-	1,054	1,054
At 31 December 2014	217	2,598	2,815

46 Parallels Limited

Notes forming part of the financial statements for the year ended 31 December 2015 (*continued*)

7 Investments

The company holds 20% or more of the share capital of the following companies:

Company	Shares held Class	%	Capital and reserves £	Profit (loss) for the year £
46 Parallels 1 LLP	n/a	100.0	(276,625)	(18,744)
46 Parallels Research Limited	Ordinary	100.0	(748)	(46)
46 Parallels (Nigeria) Limited	Ordinary	100.0	(347,375)	(22,858)

8 Debtors

	2015 £	2014 £
Trade debtors	283,857	283,857
Amounts owed by group undertakings and undertakings in which the company has a participating interest	764,650	1,233,343
Other debtors	4,154	16,748
	<u>1,052,661</u>	<u>1,533,948</u>

9 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	39,401	14,666
Amounts owed by group undertakings and undertakings in which the company has a participating interest	651,753	1,250,744
Other creditors	10,143	10,146
	<u>701,297</u>	<u>1,275,556</u>

46 Parallels Limited

Notes forming part of the financial statements for the year ended 31 December 2015 (continued)

10 Share capital

	Nominal value	2015 Number	2015 £	2014 £
Allotted, called up and fully paid: Ordinary shares	£1 each	4,905,100	4,905,100	3,555,100
			<hr/>	<hr/>
	Nominal value	Number	Amount	
Ordinary shares issued during the period at par:				
Issued on 30 June 2015	£1 each	50,000	50,000	
Issued on 31 December 2015	£1 each	1,300,000	1,300,000	
			<hr/>	
			1,350	
			<hr/>	

All shares were paid for through cash consideration.

11 Profit and loss account

	£
At 1 January 2015	(3,215,752)
Loss for the year	(,325,117)
	<hr/>
At 31 December 2015	(4,540,869)
	<hr/>

12 Reserves

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

13 Related party transactions

JMH FZE

Parent Company

During the period JMH FZE recharged overheads to the company in relation to salaries and office costs incurred in Dubai to the value of £nil (2014 - £34,066). During the period JMH FZE provided the company working capital funding to the value of £Nil (2014 - £651,753). This funding has been recorded as a current creditor in the financial statements. The amount owing to JMH FZE by the company at 31 December 2015 was £651,753 (2014 - £685,819).

JMH Management Services Limited

Immediate Parent Company.

During the period JMH Management Services Limited recharged overheads to the company in relation to the allocation of shared office resources to the value of £Nil (2014 - £296,104). During the period the company also issued shares to JMH Management Services to the value of £1,350,000 (2014 - £825,000) at par value, which has repaid the loan outstanding from the company to JMH Management Services Limited and created a loan owing to the company from JMH Management Services of £764,650 (2014 - £564,925 owed to JMH Management Services Limited).

46 Parallels Limited

Notes forming part of the financial statements for the year ended 31 December 2015 *(continued)*

13 Related party transactions *(continued)*

46 Parallels 1 LLP

A subsidiary company

During the period the company lent 46 Parallels 1 LLP £Nil (2014 - £16,432). The loan owed by 46 Parallels 1 LLP was written off in the financial year leaving £Nil outstanding in this regard at 31 December 2015 (2014 - £111,972).

46 Parallels Research Limited

A subsidiary company

During the period the company lent 46 Parallels Research Limited £Nil (2014 - £Nil). The amount owed by 46 Parallels Research Limited was written off in the financial year leaving £Nil outstanding in this regard at 31 December 2015 (2014 - £85,805).

46 Parallels (Nigeria) Limited

A subsidiary company

During the period the company lent 46 Parallels (Nigeria) Limited £Nil (2014 - £251,549) and was charged £Nil (2014 - £210,583) for management services by 46 Parallels (Nigeria) Limited. The amount owed by 46 Parallels (Nigeria) Limited to the company was written off in the financial year leaving £Nil outstanding in this regard at 31 December 2015 (2014 - £382,226).

TIA Unlevered Growth Fund (HC) Limited

A company under common control

During the year the company charged management fees to TIA Unlevered Growth Fund (HC) Limited £Nil (2014 - £Nil) in relation to managing investments made by the fund.

14 Immediate and ultimate controlling parties

The company's immediate parent company is JMH Management Services Limited, a company incorporated in England and Wales. The company's ultimate parent company is JMH International Limited, which is incorporated in the Cayman Islands. JMH International Limited prepares consolidated financial statements and is the parent of the largest and smallest group of which the company is a member for which group accounts are drawn up. The ultimate controlling party is Immortalis Trust, registered in the Cayman Islands.