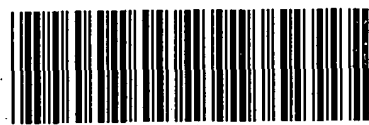

AEDOS ADVISERS (LONDON) LLP

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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AEDOS ADVISERS (LONDON) LLP

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AEDOS ADVISERS (LONDON) LLP

INFORMATION

Designated Members

J Wood
I A Barclay

LLP registered number

OC346886

Registered office

3 Cadogan Gate, London, SW1X 0AS

Independent auditors

Ernst & Young LLP

AEDOS ADVISERS (LONDON) LLP

MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The members present their annual report together with the audited financial statements of Aedos Advisers (London) LLP ("the LLP") for the year ended 31 December 2014.

PRINCIPAL ACTIVITIES

The principal object of the LLP in the year under review was that of investment services. In this capacity the LLP is regulated by the Financial Conduct Authority ("FCA").

DESIGNATED MEMBERS

J Wood and I A Barclay were designated members of the LLP throughout the year and at the date of signing this report.

MEMBERS' CAPITAL AND INTERESTS

Any profits are shared among the members as decided by the Managing Member and governed by the Limited Liability Partnership Agreement dated 9 July 2009.

PILLAR III DISCLOSURES

The firm has documented the disclosures required by FCA under BIPRU 11.3. These are available from the registered office.

GOING CONCERN

The members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future due to there being sufficient cash resources in the Bermuda Manager to support the LLP. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

FUTURE DEVELOPMENT

There are no plans which will significant change the activities and risks of the LLP.

MEMBERS' RESPONSIBILITIES STATEMENT

The members are responsible for preparing the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts & Audit) (App. of Companies Act 2008) Regulations requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Per the relevant legislation, the members 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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;

AEDOS ADVISERS (LONDON) LLP

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014**

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts & Audit) (App. of Companies Act 2008). They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the members on 27 April 2015 and signed on their behalf by:

I A Barclay
Designated member



AEDOS ADVISERS (LONDON) LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEDOS ADVISERS (LONDON) LLP

We have audited the financial statements of Aedos Advisers (London) LLP for the year ended 31 December 2014, set out on pages 6 to 13. 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 LLP's members in accordance with the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' 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 LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF MEMBERS AND AUDITORS

As explained more fully in the Members' responsibilities statement, the members 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 Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 December 2014 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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

AEDOS ADVISERS (LONDON) LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AEDOS ADVISERS (LONDON) LLP

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, as applied to limited liability partnerships, 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
- we have not received all the information and explanations we require for our audit.



Ernst & Young LLP

Statutory Auditor

27 April 2015

AEDOS ADVISERS (LONDON) LLP

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
TURNOVER	1	1,429,000	2,293,500
Administrative expenses		(1,441,456)	(2,292,718)
OPERATING (LOSS)/PROFIT	2	(12,456)	782
(LOSS)/PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		(12,456)	782

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 9 to 13 form part of these financial statements.

AEDOS ADVISERS (LONDON) LLP
REGISTERED NUMBER: OC346886

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	6		10,323		11,052
CURRENT ASSETS					
Debtors	7	252,440		132,291	
Cash at bank		165,579		247,067	
		<u>418,019</u>		<u>379,358</u>	
CREDITORS: amounts falling due within one year	8	<u>(187,474)</u>		<u>(137,086)</u>	
NET CURRENT ASSETS			<u>230,545</u>		<u>242,272</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS			<u>240,868</u>		<u>253,324</u>
REPRESENTED BY:					
Members' other interests					
Members' capital		250,000		250,000	
Other reserves		<u>(9,132)</u>		<u>3,324</u>	
			<u>240,868</u>		<u>253,324</u>
TOTAL MEMBERS' INTERESTS					
Members' other interests			<u>240,868</u>		<u>253,324</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 27 April 2015.


I A Barclay
 Designated member

The notes on pages 9 to 13 form part of these financial statements.

AEDOS ADVISERS (LONDON) LLP

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
Net cash (outflow)/inflow from operating activities	10	(74,686)	113,042
Capital expenditure and financial investment	11	(6,802)	(3,795)
(DECREASE)/INCREASE IN CASH IN THE YEAR		<u><u>(81,488)</u></u>	<u><u>109,247</u></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 £	2013 £
(Decrease)/Increase in cash in the year	<u>(81,488)</u>	<u>109,247</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>(81,488)</u>	<u>109,247</u>
Net funds at 1 January 2014	<u>247,067</u>	<u>137,820</u>
NET FUNDS AT 31 DECEMBER 2014	<u><u>165,579</u></u>	<u><u>247,067</u></u>

The notes on pages 9 to 13 form part of these financial statements.

AEDOS ADVISERS (LONDON) LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable UK accounting standards and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued March 2010.

1.2 Turnover

Turnover comprises revenue recognised by the LLP in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover represents fees earned in relation to providing advisory services during the year and are recognised when the LLP obtains the rightful consideration in exchange for its performance.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	33% straight line
Computer equipment	-	33% straight line

1.4 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.5 Pensions

The entity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the entity to the fund in respect of the year.

1.6 Taxation

No provision has been made for taxation in the financial statements. Each member is exclusively liable for any tax liabilities arising out of their interest in the LLP, which will be assessed on the individual members and not on the LLP.

1.7 Members' profit allocation

Discretionary profit allocations are recognised when formally approved by the management committee.

Allocations made to members that are not considered discretionary have been accrued as an expense to the profit and loss account

AEDOS ADVISERS (LONDON) LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

2. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets: - owned by the LLP	7,531	6,734
Difference on foreign exchange	2,985	5,340
	<u> </u>	<u> </u>

3. AUDITORS' REMUNERATION

	2014 £	2013 £
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual accounts	12,000	12,000
Fees payable to the LLP's auditor and its associates in respect of: Taxation compliance services	10,000	10,000
	<u> </u>	<u> </u>

4. STAFF COSTS

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	932,006	1,657,051
Social security costs	107,541	219,307
Other pension costs	867	-
	<u> </u>	<u> </u>
	1,040,414	1,876,358
	<u> </u>	<u> </u>

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

	2014 No.	2013 No.
Administration	3	3
	<u> </u>	<u> </u>

5. INFORMATION IN RELATION TO MEMBERS

	2014 Number	2013 Number
The average number of members during the year was	3	3
	<u> </u>	<u> </u>

AEDOS ADVISERS (LONDON) LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 January 2014	859	46,546	47,405
Additions	-	6,802	6,802
At 31 December 2014	<u>859</u>	<u>53,348</u>	<u>54,207</u>
Depreciation			
At 1 January 2014	369	35,984	36,353
Charge for the year	245	7,286	7,531
At 31 December 2014	<u>614</u>	<u>43,270</u>	<u>43,884</u>
Net book value			
At 31 December 2014	<u>245</u>	<u>10,078</u>	<u>10,323</u>
At 31 December 2013	<u>490</u>	<u>10,562</u>	<u>11,052</u>

7. DEBTORS

	2014 £	2013 £
Trade debtors	629	632
Amounts owed by group undertakings	227,052	104,559
Other debtors	19,752	17,298
Prepayments and accrued income	5,007	9,802
	<u>252,440</u>	<u>132,291</u>

**8. CREDITORS:
Amounts falling due within one year**

	2014 £	2013 £
Trade creditors	131,596	89,165
Other taxation and social security	6,715	13,496
Other creditors	3,508	3,508
Accruals and deferred income	45,655	30,917
	<u>187,474</u>	<u>137,086</u>

AEDOS ADVISERS (LONDON) LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

9. RECONCILIATION OF MEMBERS' INTERESTS

	Members' capital (classified as equity) £	Other reserves £	Total £
Members' interests: balance at 1 January 2013	250,000	2,542	252,542
Profit for the year available for discretionary division among members	-	782	782
Members' interests after profit for the year	<u>250,000</u>	<u>3,324</u>	<u>253,324</u>
Members' interests: balance at 1 January 2014	250,000	3,324	253,324
Loss for the year available for discretionary division among members	-	(12,456)	(12,456)
Members' interests after loss for the year	<u>250,000</u>	<u>(9,132)</u>	<u>240,868</u>
Members' interests at 31 December 2014	<u><u>250,000</u></u>	<u><u>(9,132)</u></u>	<u><u>240,868</u></u>

10. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating (loss)/profit	(12,456)	782
Depreciation of tangible fixed assets	7,531	6,734
(Increase)/decrease in debtors	(120,152)	48,528
Increase in creditors	50,391	56,998
Net cash (outflow)/inflow from operating activities	<u><u>(74,686)</u></u>	<u><u>113,042</u></u>

11. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u><u>(6,802)</u></u>	<u><u>(3,795)</u></u>

AEDOS ADVISERS (LONDON) LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

12. ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2014 £	Cash flow £	Other non-cash changes £	31 December 2014 £
Cash at bank and in hand	247,067	(81,488)	-	165,579
Net funds	<u>247,067</u>	<u>(81,488)</u>	<u>-</u>	<u>165,579</u>

13. PENSION COMMITMENTS

The entity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the entity to the fund and amounted to £867 (2013 - £nil). Contributions totalling £87 (2013 - £nil) were payable to the fund at the balance sheet date and are included in creditors

14. RELATED PARTY TRANSACTIONS

	2014 £	2013 £
Advisory fees charged to Aedos Fund Management (Bermuda) Limited	1,429,000	2,293,500
Balance owing from Aedos Fund Management (Bermuda) Limited	160,000	59,500
Balance owing from Aedos Master Fund LP	<u>67,714</u>	<u>46,059</u>

15. CONTROLLING PARTY

The LLP is controlled by J Wood by virtue of his majority interest in the LLP.

AEDOS ADVISERS (LONDON) LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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AEDOS ADVISERS (LONDON) LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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