

**Company Registration No. OC355816**

**Allen & Company Advisors LLP**

**Financial Statements**

**31 December 2013**

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# **Allen & Company Advisors LLP**

## **Report and financial statements 2013**

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# **Allen & Company Advisors LLP**

## **Report and financial statements 20113**

### **Registered officers and professional advisers**

#### **Designated Members**

Allen & Company Advisors UK Limited  
Allen & Company Advisors II UK Limited

#### **Secretary**

Capita Plc

#### **Registered Office**

2<sup>nd</sup> Floor  
103 Mount Street  
London  
W1K 2TJ

#### **Bankers**

Santander Bank Plc  
Bridle Road  
Bootle  
Merseyside  
GIR 0AA

#### **Auditor**

KPMG LLP  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

# **Allen & Company Advisors LLP**

## **Members' report**

The Members' present their annual report on the affairs of the Company, together with the financial statements and auditor's report, for the year ended 31 December 2013.

### **Group structure**

Allen & Company Advisors LLP (formerly Allen & Company Advisors UK LLP) (the "LLP", the "Company") was incorporated June 21, 2010 as a Limited Liability Partnership under the Limited Liability Partnerships Act 2000. The LLP is accounted for as a majority owned subsidiary of Allen & Company Advisors UK Limited (the "Parent"), (collectively "the Group"). The ultimate parent undertaking by virtue of its shareholding in the Parent is Allen & Company LLC, a company registered in the United States of America.

These financial statements are the accounts of Allen & Company Advisors LLP and reflect the results for the year ended 31 December 2013. The profit for the year was \$249,005 (2012: \$4,669,888).

### **Principal activities**

The principal activity is to act as corporate finance advisors.

### **Going concern**

The UK is an important strategic market for Allen & Company LLC to expand into Europe. The Group operates in the current market environment, and is subject to the current uncertainty that exists in the world economy as a whole. The Group operates in a strong regulatory environment. The members of the LLP review on a regular basis the regulatory capital management and assess risks to business performance.

The LLP meets its funding requirements through cash injected and loans provided by the ultimate holding company. The members' expectation is that these facilities will be available for the foreseeable future. There are no other banking facilities that the LLP is reliant on. The members are confident that, if required, group support will be available.

The members have a reasonable expectation that the LLP have adequate resources to continue in operational existence for the foreseeable future. Thus, it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

### **Designated members**

The designated members (as defined in the Limited Liability Partnerships Act 2000) during the year were the Parent and Allen & Company Advisors II UK Limited.

### **Members' drawings and subscription and repayment of capital**

All members are equity members and share in the profits and subscribe to the entire capital of the Partnership. Each member's capital subscription is governed by the Partnership Agreement. Members' drawings are made subject to the cash requirements of the business. Repayment of capital will only occur upon a member leaving the Partnership or termination and dissolution of the Partnership. Were the Partnership to be liquidated or dissolved for any reason, entitlements will be made to members only after all other liabilities of the Partnership have been paid.

### **Disclosure of information to auditor**

The members who held office at the date of approval of this members' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each member has taken all the steps that she ought to have taken as a member to make herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

## **Allen & Company Advisors LLP**

### **Members' report**

Approved by the members and signed on their behalf by:



K Wieland

Allen & Company Advisors Limited

Designated Member

25 April 2014

# **Allen & Company Advisors LLP**

## **Members' responsibilities statement**

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

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare LLP financial statements for each financial year. Under that law the members have elected to prepare the LLP financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 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 judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, 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 its financial statements comply with those regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLEN & COMPANY ADVISORS LLP**

We have audited the financial statements of Allen & Company Advisors LLP for the year ended 31 December 2013 set out on Page 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the members of the limited liability partnership (LLP), as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 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 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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of members and auditor**

As explained more fully in the Members' Responsibilities Statement set out on page 4, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://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 affairs of the LLP as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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.

### **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.



Neil Palmer

for and on behalf of KPMG LLP, Statutory Auditor

*Chartered Accountants*

15 Canada Square  
London, E14 5GL

25 April 2014

## Allen & Company Advisors LLP

### Profit and loss account Year ended 31 December 2013

	Notes	2013 USD	2012 USD
Turnover	2	2,469,289	9,852,313
Administrative expenses		<u>(2,221,322)</u>	<u>(5,044,268)</u>
Operating profit	3	247,967	4,808,045
Interest receivable		<u>1,038</u>	<u>1,735</u>
Profit for the financial year before members' remuneration and profit shares		249,005	4,809,780
Members' remuneration charged as an expense		<u>-</u>	<u>(139,892)</u>
Profit for the financial year available for discretionary division among members		<u>249,005</u>	<u>4,669,888</u>

The operating profit for the year arises from the Company's continuing operations.

No separate statement of total recognised gains and losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

The accompanying notes on pages 9 to 14 form an integral part of the financial statements.



**Balance Sheet**  
**Year ended 31 December 2013**

	Notes	2013 USD	2012 USD
<b>Fixed assets</b>			
Tangible assets	5	<u>136,344</u>	<u>340,083</u>
		<u>136,344</u>	<u>340,083</u>
<b>Current assets</b>			
Debtors	6	1,929,155	1,907,583
Cash at bank and in hand		<u>752,649</u>	<u>485,923</u>
		2,681,804	2,393,506
<b>Creditors: amounts falling due within one year</b>		<u>(75,547)</u>	<u>(238,361)</u>
	7	<u>(75,547)</u>	<u>(238,361)</u>
<b>Net current assets</b>		2,606,257	2,155,145
<b>Creditors: amounts falling due after more than one year</b>	8	<u>(94,725)</u>	<u>(94,725)</u>
<b>Net assets attributable to members</b>		<u><u>2,647,876</u></u>	<u><u>2,400,503</u></u>
<b>Represented by:</b>			
<b>Members' other interests</b>			
Members' capital classified as equity	9	<u>2,647,876</u>	<u>2,400,503</u>
		<u><u>2,647,876</u></u>	<u><u>2,400,503</u></u>

The financial statements were approved by the members and authorised for issue on 25 April 2014. They were signed on the members' behalf by:



K. Wieland  
 Allen & Company Advisors Limited  
 Designated member

The accompanying notes on pages 9 to 14 form an integral part of the financial statements.

**Balance Sheet**
**Year ended 31 December 2013**

	Notes	2013 USD	2012 USD
Cash inflow from operating activities	10(a)	267,320	3,612,309
Returns on investments and servicing of finance	10(b)	1,038	1,735
Transactions with members and former members	10(b)	<u>(1,632)</u>	<u>(4,284,686)</u>
(Decrease)/increase in cash in the year		<u>266,726</u>	<u>(670,642)</u>

**Reconciliation of net cash flow to movement in funds**
**Year ended 31 December 2013**

	2013 USD	2012 USD
(Decrease)/increase in cash in the year	<u>266,726</u>	<u>(670,642)</u>
Movement in net funds in the year	266,726	(670,642)
Net funds at beginning of the year	<u>485,923</u>	<u>1,156,565</u>
Net funds at 31 December	<u>752,649</u>	<u>485,923</u>

The accompanying notes on pages 9 to 14 form an integral part of the financial statements.

# Allen & Company Advisors LLP

## Notes to the financial statements Year ended 31 December 2013

### 1. Statement of accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

#### Basis of accounting

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

#### Going concern

The LLP's business activities, together with the factors likely to affect its future development, performance and position are set out in the Principal Activities which form part of the members' report.

The Board has a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Income recognition

Turnover represents amounts derived, net of Value Added Tax from services provided to Allen & Company LLC.

#### Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

IT hardware	- 3 years
Furniture and office equipment	- 4 years
Leasehold improvements	- Life of lease

#### Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. All exchange differences are included in the profit and loss account.

#### Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

#### Expenses

Expenses include professional fees, salaries and other related costs which are charged when incurred.

### 2. Turnover

The Company's turnover was derived from its principal activity and revenue is generated from the United States.

# Allen & Company Advisors LLP

## Notes to the financial statements Year ended 31 December 2013

### 3. Operating profit

Operating profit is stated after charging/(crediting):

	2013 USD	2012 USD
Foreign exchange gains	(25,835)	(48,207)
Depreciation – owned assets	203,739	254,278
Auditors remuneration in respect of the audit of the Company's financial statements	35,000	37,382
	<u>212,904</u>	<u>243,453</u>

### 4. Employees

	2013 No.	2012 No.
The average monthly number of persons (including directors) employed by the Company during the period that the Company had trading activity was:	<u>4</u>	<u>7</u>
	2013 USD	2012 USD
Staff costs for the above persons		
Wages and salaries	382,824	2,196,115
Social security costs	41,477	294,388
	<u>424,301</u>	<u>2,490,503</u>

## Allen & Company Advisors LLP

### Notes to the financial statements Year ended 31 December 2013

#### 5. Tangible fixed assets

	IT hardware USD	Furniture and office equipment USD	Leasehold improvements USD	Total USD
<b>Cost</b>				
At 1 January 2013	143,462	266,629	755,680	1,165,771
Additions	-	-	-	-
At 31 December 2013	143,462	266,629	755,680	1,165,771
<b>Accumulated depreciation</b>				
At 1 January 2013	143,462	209,542	472,684	825,688
Charge for the year	-	57,087	146,652	203,739
At 31 December 2013	143,462	266,629	619,336	1,029,427
<b>Net book value</b>				
At 31 December 2012	-	57,087	282,996	340,083
At 31 December 2013	-	-	136,344	136,344

#### 6. Debtors

	2013 USD	2012 USD
Due within one year:		
Prepayments and accrued income	541,376	1,765,656
Amounts receivable from affiliates	1,387,779	141,927
	1,929,155	1,907,583

# Allen & Company Advisors LLP

## Notes to the financial statements Year ended 31 December 2013

### 7. Creditors: amounts falling due within one year

	2013 USD	2012 USD
Accruals	75,547	238,361
	<u>75,547</u>	<u>238,361</u>

### 8. Creditors: amounts falling due after one year

	2013 USD	2012 USD
Subordinated loan	94,725	94,725
	<u>94,725</u>	<u>94,725</u>

This loan was made by the Parent's holding company, Allen & Company LLC. The loan is interest free.

### 9. Members interests

	Members' capital (classified as equity) USD
Balance at 31 December 2012	2,400,503
Profit for the financial year available for discretionary division among members	<u>249,005</u>
Members' interests after profit for the year	2,649,508
Distributions to former members	<u>(1,632)</u>
Balance at 31 December 2013	<u>2,647,876</u>

The average number of members during the year was 2. The share of profit (including remuneration) attributable to the member with the largest entitlement of profit, consisting of profits allocated after the balance sheet date and remuneration during the year, was \$249,005.

# Allen & Company Advisors LLP

## Notes to the financial statements Year ended 31 December 2013

### 10. Cash flows

#### (a) Reconciliation of operating profit to net cash inflow from operating activities

	2013 USD	2012 USD
Operating profit	247,967	4,808,045
Increase in debtors	(21,572)	(1,128,304)
(Decrease)/Increase in creditors	(162,814)	(321,710)
Depreciation	203,739	254,278
<b>Net cash inflow from operating activities</b>	<b>267,320</b>	<b>3,612,309</b>

#### (b) Analysis of cash flows for headings netted in the cash flow

	2013 USD	2012 USD
Members' remuneration	-	(139,892)
Payments to members	(1,632)	(4,144,794)
<b>Net cash outflow from transactions with members</b>	<b>(1,632)</b>	<b>(4,284,686)</b>

	2013 USD	2012 USD
<b>Returns on investments and servicing of finance</b>		
Interest received	1,038	1,735
<b>Net cash inflow from returns on investments and servicing of finance</b>	<b>1,038</b>	<b>1,735</b>

### 11. Related party transactions

All turnover in this and previous period is derived from the Parent's holding company, Allen & Company LLC. The holding company also subordinated a loan to the value of USD 94,725 (2012: USD 94,725) to the LLP.

# Allen & Company Advisors LLP

## Notes to the financial statements Year ended 31 December 2013

### 12. Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Annual commitments under non-cancellable operating leases are as follows:

	2013 USD	2012 USD
Expiry date:		
within one year	286,489	470,443
between two and five years	2,237,795	225,554
after five years	277,236	-
	<u>2,801,520</u>	<u>695,997</u>

Leases are typically subject to rent reviews at specified intervals and provide for the lessee to pay all insurance, maintenance and repair costs.

### 13. Controlling party and ultimate parent undertaking

The controlling party is Allen & Company Advisors UK Limited. The ultimate parent undertaking and controlling party by virtue of its shareholding is Allen & Company LLC, a company registered in the United States of America. Allen & Company Advisors UK Limited is the smallest group into which the LLP is consolidated. Allen & Company LLC is the largest group into which the LLP is consolidated.

### 14. Subsequent events

The Company has evaluated subsequent events through the date the accompanying financial statements were issued, which was April 25, 2014.