

**Company Registration No. OC355816**

**Allen & Company Advisors LLP**

**Financial Statements**

**31 December 2017**

TUESDAY



\*A751WBYB\*

A21

01/05/2018

#113

COMPANIES HOUSE

# **Allen & Company Advisors LLP**

## **Report and Financial Statements 2017**

<b>Contents</b>	<b>Page</b>
<b>Registered officers and professional advisers</b>	<b>1</b>
<b>Members' report</b>	<b>2-3</b>
<b>Members' responsibilities statement</b>	<b>4</b>
<b>Independent Auditor's report to the Members of Allen &amp; Company Advisors LLP</b>	<b>5-6</b>
<b>Statement of Comprehensive Income</b>	<b>7</b>
<b>Statement of Financial Position</b>	<b>8</b>
<b>Statement of Changes in Equity</b>	<b>9</b>
<b>Statement of Cash Flows</b>	<b>9</b>
<b>Notes to the financial statements</b>	<b>10 -14</b>

# **Allen & Company Advisors LLP**

## **Report and Financial Statements 2017**

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

#### **Designated Members**

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

#### **Registered Office**

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

#### **Banker**

Santander Bank Plc  
Bridle Road  
Bootle  
Merseyside  
GIR 0AA

#### **Auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

# **Allen & Company Advisors LLP**

## **Members' Report**

The Members' present their annual report on the affairs of the Partnership, together with the financial statements and auditor's report, for the year ended 31 December 2017.

### **Group structure**

Allen & Company Advisors LLP (formerly Allen & Company Advisors UK LLP) (the "LLP", the "Partnership") was incorporated 21 June 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 2017. The profit for the year was \$219,780 (2016: \$126,927).

The average number of members during the year was 2 (2016: 2). The share of profit (including remuneration) attributable to the member with the largest entitlement of profit, consisting of profits allocated after the Statement of Financial Position date and remuneration during the year, was \$219,780.

### **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 Partnership'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 Partnership's auditor is aware of that information.

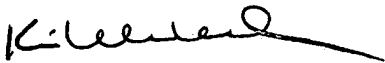
## **Allen & Company Advisors LLP**

### **Members' Report**

#### **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.

Approved by the members and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'K Wieland', with a long horizontal stroke extending to the right.

K Wieland

Allen & Company Advisors UK Limited

Designated Member

25 April 2018

## **Allen & Company Advisors LLP**

### **Statement of members' responsibilities in respect of the Members' Report and the financial statements**

The members are responsible for preparing the Members' Report and the 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 financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 its profit or loss 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;
- assess the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

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 are 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, and 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**

## **Opinion**

We have audited the financial statements of Allen & Company Advisors LLP ("the LLP") for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, of the state of affairs of the LLP as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the LLP in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## **Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

## **Other information**

The members are responsible for the other information, which comprises the members' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

## **Matters on which we are required to report by exception**

Under the Companies Act 2006 as applied to limited liability partnerships we are required 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.

We have nothing to report in these respects.

## **Independent auditor's report to the members of Allen & Company Advisors LLP**

### **Members' responsibilities**

As explained more fully in their 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; 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; assessing the LLP'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 they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the members of the 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.



**Neil Palmer**

**(Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

**Chartered Accountants**

**15 Canada Square**

**London**

**E14 5GL**

**25 April 2018**



## Allen & Company Advisors LLP

### Statement of Comprehensive Income For Year ended 31 December 2017

	Notes	2017 USD	2016 USD
Revenue	2	<u>1,781,849</u>	<u>2,018,584</u>
<b>Gross profit</b>		1,781,849	2,018,584
Administrative Expenses		<u>(1,619,251)</u>	<u>(1,830,379)</u>
<b>Operating profit</b>	3	162,598	188,205
Finance Costs		(15)	(60,962)
Finance Income		<u>57,197</u>	<u>(316)</u>
<b>Profit for the financial year before members' remuneration and profit shares</b>		219,780	126,927
Members' remuneration charged as an expense		<u>-</u>	<u>-</u>
<b>Profit for the financial year available for discretionary division among members</b>		<u>219,780</u>	<u>126,927</u>
Other Comprehensive income		-	-
<b>Total Comprehensive income</b>		<u>219,780</u>	<u>126,927</u>

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

The accompanying notes on pages 10 to 14 form an integral part of the financial statements.

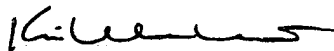
## Allen & Company Advisors LLP

### Statement of Financial Position As at 31 December 2017

Company Registration No: 0C355816

	Notes	2017 USD	2016 USD
<b>Fixed assets</b>			
Tangible assets	5	-	-
<b>Current assets</b>			
Debtors	6	2,795,337	2,617,607
Cash at bank and in hand		<u>584,808</u>	<u>534,094</u>
		3,380,145	3,151,701
Creditors: amounts falling due within one year	7	<u>(54,017)</u>	<u>(52,372)</u>
<b>Net current assets</b>		<u>3,326,128</u>	<u>3,099,329</u>
Creditors: amounts falling due after one year	8	<u>(81,070)</u>	<u>(74,051)</u>
<b>Net assets: attributable to members</b>		<u><u>3,245,058</u></u>	<u><u>3,025,278</u></u>
<b>Represented by:</b>			
<b>Members' other interests</b>			
Members' capital		610,354	610,354
Retained earnings		<u>2,634,704</u>	<u>2,414,924</u>
Total members' interest		<u><u>3,245,058</u></u>	<u><u>3,025,278</u></u>

The financial statements were approved by the members and authorised for issue on 25 April 2018. They were signed on the members' behalf by:



K Wieland  
Allen & Company Advisors UK Limited  
Designated member

The accompanying notes on pages 10 to 14 form an integral part of the financial statements

## Allen & Company Advisors LLP

### Statement of Changes in Equity As at 31 December 2017

	Members' capital	Retained earnings	members' interest (classified as equity)
	USD	USD	USD
Balance at 1 January 2016	<u>610,354</u>	<u>2,287,997</u>	<u>2,898,351</u>
Profit for the financial year available for discretionary division among members	-	126,927	126,927
Balance at 31 December 2016	<u>610,354</u>	<u>2,414,924</u>	<u>3,025,278</u>
Balance at 1 January 2017	610,354	2,414,924	3,025,278
Profit for the financial year available for discretionary division among members	<u>-</u>	<u>219,780</u>	<u>219,780</u>
Balance at 31 December 2017	<u><u>610,354</u></u>	<u><u>2,634,704</u></u>	<u><u>3,245,058</u></u>

### Statement of Cash Flows Year ended 31 December 2017

	Notes	2017 USD	2016 USD
Cash inflow/(outflow) from operating activities	9	<u>50,714</u>	<u>(47,642)</u>
Increase/(Decrease) in cash in the year		<u><u>50,714</u></u>	<u><u>(47,642)</u></u>
		2017 USD	2016 USD
Increase/(Decrease) in cash in the year		50,714	(47,642)
Cash and cash equivalents at 1 January		<u>534,094</u>	<u>581,736</u>
Cash and cash equivalents at 31 December		<u><u>584,808</u></u>	<u><u>534,094</u></u>

The accompanying notes on pages 10 to 14 form an integral part of the financial statements.

# **Allen & Company Advisors LLP**

## **Notes to the financial statements Year ended 31 December 2017**

### **1. Accounting policies**

#### **Basis of accounting**

These financial statements were prepared in accordance with Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, and under the historical cost convention.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and 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 and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" (SORP) issued in April 2014.

The functional currency of these financial statements is United States Dollars as the Company's income will be dollar denominated.

#### **Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

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.

#### **Financial assets**

Basic financial assets, including debtors and cash at bank and in hand, are stated at amortised cost using the effective interest rate method.

#### **Financial liabilities**

Financial liabilities comprise accruals and loans. All financial liabilities are measured at amortised cost using the effective interest rate method.

#### **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

#### **Taxation**

The LLP is not required to pay corporation tax. All profits belonging to the Designated Members will be included within that Designated Member's own financial statements and be taxed according to corporation taxation legislation.

# Allen & Company Advisors LLP

## Notes to the financial statements Year ended 31 December 2017

### 1. Accounting policies (continued)

#### 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.

#### Operating lease

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.

#### Expenses

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

#### Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the LLP's accounting policies, the members are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The members' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

None of the above assumptions made will cause a material adjustment to the carrying values of assets or liabilities in the current year.

### 2. Revenue

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

### 3. Operating profit

Operating profit is stated after charging:

	2017	2016
	USD	USD
Staff costs (see note 4)	368,176	473,203
Operating lease rental	479,761	553,183
Auditors remuneration in respect of the audit of the Partnership's financial statements	40,575	39,400

## Allen & Company Advisors LLP

### Notes to the financial statements Year ended 31 December 2017

#### 4. Employees

	2017 No.	2016 No.
The average monthly number of persons (including directors) employed by the Partnership during the period that the Partnership had trading activity was:	<u>5</u>	<u>5</u>
	2017 USD	2016 USD
Staff costs for the above persons		
Wages and salaries	319,625	330,935
Social security costs	<u>48,551</u>	<u>142,268</u>
	<u>368,176</u>	<u>473,203</u>

#### 5. Tangible fixed assets

	IT hardware USD	Furniture and office equipment USD	Leasehold improvements USD	Total USD
<b>Cost</b>				
At 1 January 2017	143,462	266,629	755,680	1,165,771
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2017	<u>143,462</u>	<u>266,629</u>	<u>755,680</u>	<u>1,165,771</u>
<b>Accumulated depreciation</b>				
At 1 January 2017	143,462	266,629	755,680	1,165,771
Charge for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2017	<u>143,462</u>	<u>266,629</u>	<u>755,680</u>	<u>1,165,771</u>
<b>Net book value</b>				
At 31 December 2016	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2017	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# Allen & Company Advisors LLP

## Notes to the financial statements Year ended 31 December 2017

### 6. Debtors

	2017	2016
	USD	USD
Due within one year:		
Prepayments and accrued income	573,591	455,340
Amounts receivable from affiliates	2,221,747	2,162,267
	<u>2,795,338</u>	<u>2,617,607</u>

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

	2017	2016
	USD	USD
Accruals	54,017	52,372
	<u>54,017</u>	<u>52,372</u>

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

	2017	2016
	USD	USD
Subordinated loan	81,070	74,051

This loan was made by the Parent's holding company, Allen & Company LLC. The loan is unsecured, interest free, and has been revalued at year end.

### 9. Cash flows

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

	2017	2016
	USD	USD
Operating profit	162,598	188,205
(Decrease)/increase in debtors	(177,730)	(178,690)
Increase/(decrease) in creditors	8,664	4,121
Finance income	57,197	(316)
Finance costs	(15)	(60,962)
<b>Net cash inflow/(outflow) from operating activities</b>	<u>50,714</u>	<u>(47,642)</u>

## Allen & Company Advisors LLP

### Notes to the financial statements Year ended 31 December 2017

#### 10. Related parties

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 \$81,070 (2016: \$74,051) to the LLP. Amounts receivable from Allen & Company LLC at 31 December 2017 are \$1,432,456 (2016: \$1,440,444). Amounts receivable from Allen & Company Advisors UK Limited at 31 December 2017 are \$759,273 (2016: \$706,130). Amounts receivable from other related entities are immaterial.

#### 11. Leases

Annual commitments under the non-cancellable operating lease are as follows:

	2017	2016
	USD	USD
Expiry date:		
within one year	512,259	467,908
between two and five years	254,024	699,938
after five years	-	-
	<u>766,283</u>	<u>1,167,846</u>

The non-cancellable operating lease is typically subject to rent reviews at specified intervals and provide for the lessee to pay all insurance, maintenance and repair costs.

#### 12. 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.

#### 13. Subsequent events

The Partnership has evaluated subsequent events through the date the accompanying financial statements were issued, which was 25 April 2018.