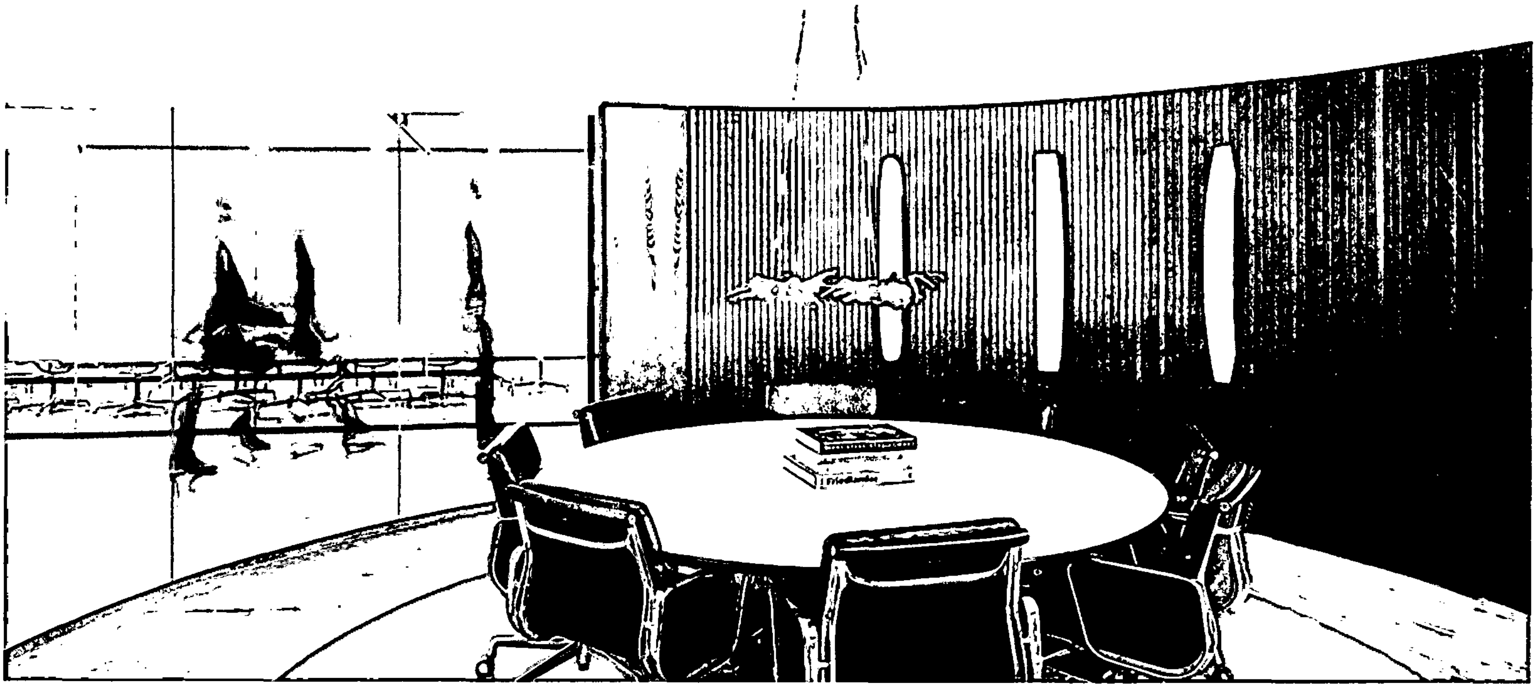
ABG
SUNDAL COLLIER

ABG Sundal Collier Partners LLP

Annual report and financial statements for the year ended 31 December 2015



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Officers and professional advisers

Designated members

ABG Sundal Collier Limited (acting by its duly appointed representative, Per Flostrand)

Emily Dgebuadze

Registered office

St Martin's Court

10 Paternoster Row

London EC4M 7EJ

Bankers

DNB London

8th Floor

The Walbrook Building

25 Walbrook

London EC4N 8AF

Solicitors

Travers Smith LLP

10 Snow Hill

London EC1A 2AL

Auditor

Deloitte LLP

London

Chief Executive's statement

Financial highlights for the year:

- Turnover of £9.8m
- Administrative expenses of £5.5m
- Operating profit of £4.4m
- Regulatory capital resources of £3m, comfortably exceeding its FCA financial resources requirement of £1.2m

Introduction

ABG Sundal Collier Partners LLP ("The Partnership") is part of the ABG Sundal Collier group, a Nordic investment bank listed on the Oslo Stock Exchange. The Partnership was incorporated on 22 September 2010 and started operating from June 2011 when ABG Sundal Collier Limited transferred its business and employees to the Partnership.

Current position

The industry has picked up compared to 2014, with a lot of primary transactions, but there is still a challenging market with pressure on commission rates and increased DMA (Direct Market Access) trading, which have had a negative impact on the Revenues. The Partnership continues to outperform our peer group, but is still below where we would like to be in terms of revenues and profits in absolute terms. Despite difficult market conditions, the Partnership had a turnover of £9.8 million and operating profit of £4.4 million. The Partnership holds capital well in excess of the FCA regulatory requirement.

Future plans

The Partnership strives to be prepared in order to adjust swiftly both to changes in market conditions and to possibilities for further growth. Our strategy for the time being is clearly to err on the side of caution when it comes to staffing levels and the associated cost base.

I am of the opinion that 2016 presents many uncertainties related to economic growth, but we are well positioned with our team of experienced professionals, our flexible cost structure and our opportunistic business culture. These attributes should enable us to improve our position relative to competition and deliver reasonable earnings in relation to the prevailing market conditions.

Per Flostrand

Chief Executive

25 April 2016

Designated Member's Report

The members present their report together with the audited financial statements for the year ended 31 December 2015.

Principal activity

The principal activity of ABG Sundal Collier Partners LLP ("The Partnership") is investment advisory services. It is regulated by the Financial Conduct Authority (FCA) in this regard. The Partnership was established on 22 September 2010, and started its operations on 1 June 2011, from then onwards conducting the activities that had previously been undertaken by its corporate member ABG Sundal Collier Limited.

Business review

Revenues for 2015 were £9,786,646, an increase of 11% from previous year, as equity-trading volumes picked up compared to 2014. However, industry still facing pressure on commission rates across the market.

Results for the year and allocation to members

The profit for the year to 31 December 2015 attributable to members was £4,389,861 (2014: £3,990,893). The members are satisfied with the result for the year.

Going concern

The members have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the near future. The cash flow for 2015 was positive and continued funding, both through current bank deposits and from the Norwegian ultimate parent company are readily available. For this reason, the members continue to adopt the going concern basis in preparing the financial statements.

Principal risks and uncertainties

From the perspective of the Partnership, the members monitor the principal risks and uncertainties in accordance with the FCA rules and regulations, and corporate practice.

Competitive pressure in the Nordic financial markets is a continuing risk for the Partnership, which could result in it losing turnover or personnel to its key competitors. The Partnership manages these risks by delivering value to clients, in the provision of quality research in a niche market and operating a Partnership type structure for senior employees, which encourages loyalty from staff. The Partnership is subject to regulation by the UK FCA. If it fails to comply with regulatory requirements, it may not be able to conduct business. The Partnership manages this risk through effective internal control procedures.

Financial risk management objectives and policies

The Partnership's activities expose it to a number of financial risks including currency risk, liquidity risk and credit risk. The management committee seek to identify, assess and monitor each class of risk in accordance with defined policies and procedures.

The risk team is charged with monitoring the risk faced by the Partnership. The Management Committee approves all risk management policies and limits, and review all internal controls and associated risk management systems.

Capital requirement and capital risk management

The Partnership manages its capital to ensure that it is able to continue as a going concern and meet regulatory requirements while maximising profit for its members.

The Partnership is subject to the regulatory capital requirements of the FCA which are summarised below. The Partnership includes capital contribution from its members as capital for the purpose of meeting its regulatory requirements. The Partnership falls within the EU's Capital Requirements Directive (CRD) and FCA's regulatory rules as laid out in the Prudential Sourcebook for Banks, Building Societies and Investment

Firms (BIPRU). The partnership met its capital requirements throughout the year. The capital resources requirement as at 31 December 2015 under the FCA reporting rules applicable to BIPRU limited activity firms is set out below. The Partnerships' Pillar 3 disclosures are included within the financial statements of the parent company, which can be found at https://www.abgsc.com/investor-relations

Pillar 1 calculation:					**£'000**
Partnership capital					3,030
Capital resources - all Tier 1					3,030
Base capital resource requirements	36				
Market risk requirement		10			
Credit risk requirement			17		
Fixed overhead requirement				1,212	
Capital resource requirement	36	10	17	1,212	1,212
Excess capital resources					**1,818**

Designated members

The designated members throughout the year were:

ABG Sundal Collier Limited (acting by its duly appointed representative, Per Flostrand)

Emily Dgebuadze

Allocation of profits and losses

Any profit and losses are shared among the members as governed by the Partnership Agreement.

Members are remunerated solely out of the profits or losses of the Partnership and final allocations of profit or losses to members are made in accordance with the Partnership Agreement.

Capital

The members contribute to the Partnership's capital in accordance with the Partnership Agreement. No member is entitled to interest on their contributed capital.

Policy for drawings subscriptions and repayment of members' capital

The Partnership Agreement governs policies for members' drawings, subscriptions and repayment of members' capital. No drawings or other payments can be made to or on behalf of any members, other than distributions of profits, without the consent of the Remuneration Committee as governed by the Partnership Agreement. The Partnership will reserve, out of profits before distributions, sufficient funds to provide for the working and regulatory capital requirement of the business.

Disclosure of information to auditors

Each person who is a Designated Member at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Reappointment of auditor

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual Meeting.

Approved by the members of the Limited Liability Partnership on 25 April 2016

Emily Dgebuadze

Emily Dgebuadze

Designated Member

Statement of members' responsibilities

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

The Limited Liability Partnerships (Accounts & 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 IFRSs as adopted by the European Union. The financial statements are also required by law to be prepared in accordance with the Companies Act 2006, as applicable to limited liability partnerships.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the firm's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, members are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the firm and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the firm and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of ABG Sundal Collier Partners LLP

We have audited the financial statements of ABG Sundal Collier Partners LLP for the year ended 31 December 2015 which comprise the income statement, the statement of financial position, the cash flow statement, the statement of changes in members' capital and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 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. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership'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, 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 Partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual 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 limited liability partnership's affairs as at 31 December 2015 and of the limited liability partnership's profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applicable to Limited Liability Partnerships.

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.

Caroline Britton (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

London, United Kingdom

25 April 2016

Income statement

	Notes	2015	2014
		£	£
Revenue		9,786,646	8,782,681
Administrative expenses	2-3, 5	-5,454,174	-4,849,799
Operating profit		**4,332,473**	**3,932,882**
Finance charges	11	-97,324	-58,869
Interest receivable	11	154,712	116,880
Profit for the year before members' remuneration and profit share		**4,389,861**	**3,990,893**
Members' remuneration	4	-920,000	-1,328,667
Total comprehensive income for the year attributable to the equity holder of the company		**3,469,861**	**2,662,226**

All recognised gains and losses in the current year are included in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses has been prepared.

All amounts relate to continuing activity.

The notes on pages 15 to 23 form part of these financial statements.

Statement of financial position

31 December 2015

	Notes	2015	2014
		£	£
Non-current assets			
Property, plant and equipment	5	0	79,068
		0	79,068
Current assets			
Trade and other receivables	6	15,079,640	13,052,704
Cash and cash equivalents		973,713	628,564
		16,053,353	13,681,268
Creditors amounts falling due within one year	7	-1,420,546	-1,190,664
Net assets attributable to members		14,632,807	12,569,673
Represented by:			
Loan and other debts due to members within one year		11,602,807	9,534,673
Equity - Members capital		3,030,000	3,035,000
Sum		14,632,807	12,569,673
Total members' interests:			
Members' capital	8	3,030,000	3,035,000
Loans and other debt due to members	8	11,602,807	9,534,673
Total members' interest		14,632,807	12,569,673

The financial statements were approved by the members of the Limited Liability Partnership (registered number OC358100) and authorised for issue on 25 April 2016

Emily Dgebuadze

Emily Dgebuadze

Designated Member

The notes on pages 15 to 23 form part of these financial statements

Cash flow statement

31 December 2015

	Notes	2015	2014
		£	£
Cash flow from operating activities:			
Operating profit		**4,332,473**	3,932,882
Depreciation		**79,068**	107,831
Change in trade and other receivables		**-2,026,972**	-1,743,193
Change in creditors		**229,882**	743,381
Net cash flow from operating activities		**2,614,451**	**3,040,901**
Cash flow from investing activities:			
Interest received		154,712	111,671
Finance charges		-97,324	-58,869
Net cash flow from investing activities		**57,388**	**52,802**
Cash flow from transactions with members:			
Reduction in members' capital	8	-5,000	-45,000
Drawings	8	-2,321,727	-2,600,016
Net cash flow from transactions with members:		**-2,326,727**	**-2,645,016**
Net change in cash at bank and in hand		**345,112**	**448,687**
Effect of foreign exchange rate changes		36	5,210
Cash and cash equivalents at beginning of year		628,565	174,668
Cash and cash equivalents at end of year		**973,713**	**628,565**

Statement of changes in members' capital

31 December 2015

	Notes	£
Members' capital 31 December 2013		**3,080,000**
Capital paid back to nine terminated members	8	*-45,000*
Members' capital 31 December 2014		**3,035,000**
Capital paid back to one terminated member	8	*-5,000*
Members' capital 31 December 2015		**3,030,000**

Notes to the financial statements

31 December 2015

1 Accounting policies

ABG Sundal Collier Partners LLP is a partnership incorporated in the United Kingdom. The requirements for Limited Liability Partnerships are set out in the Limited Partnership Regulations 2001 (SI 2001/1090), as amended by the Limited Liability Partnerships (Amendment) Regulations 2005 (SI 2005/1989).

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulation and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" (issued March 2010).

Going concern

The business activities, together with the factors likely to affect its future development, performance and position are set out in the Designated Members' Report. There is reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. For this reason the Designated Members have adopted the going concern basis in preparing the financial statements.

Adoption of new and revised Standards

The following new and revised standards and interpretations have been adopted in the current year. Their adoption has not had any significant impact on the amounts reported in these financial statements.

- Amendments to IAS 32 Offsetting financial assets and financial liabilities
- Amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities
- IFRIC 21 Levies

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

- IFRS 9 Financial Instruments
- IAS 16 and IAS 38 (amendments) Clarification of Acceptable Methods of Depreciation and Amortisation
- Annual Improvements to IFRSs: 2010-12 Cycle
- Annual Improvements to IFRSs: 2011-13 Cycle
- Annual Improvements to IFRSs: 2012-14 Cycle

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of VAT and other sales related taxes and net trading gains or losses.

Turnover comprises introducing fees arising from efforts to broker securities to investors on behalf of the parent company. Introducing fees are recognised when invoiced.

Taxation

The taxation payable on the Partnership's profits is the liability of its members during the year. Accordingly, no taxation charge / credit has been disclosed in the financial statements.

Foreign currency

The functional currency is GBP. Foreign currency transactions are translated at the rates prevailing when they occurred. Foreign currency monetary assets and liabilities are translated at the rates prevailing at the balance sheet dates. Any difference are taken to the profit and loss account.

Leases

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

Retirement benefit costs

Contributions to the Partnership's defined contribution pension schemes are charged to the profit and loss account in the period in which they become payable. The assets of the scheme are held separately in an independently administered fund.

Financial assets

Receivables - Trade receivables, cash and cash equivalents, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Receivables are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to its initial carrying value, less any impairment, except for short-term receivables when the recognition of interest would be immaterial. All the financial assets are short-term, therefore there is no material difference between the carrying value and fair value.

Trade receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Other debtors include balances representing unsettled sold securities transactions and are recognised on a trade date basis. All such balances are shown gross.

Derecognition of financial assets

The Partnership derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Partnership neither transfers nor retains substantially all the risks and rewards of ownerships and continues to control the transferred asset, the Partnership recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Partnership retains substantially all risks and rewards of ownership of a transferred financial asset, the Partnership continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The Partnership's financial liabilities are all classified as 'other financial liabilities'.

Other financial liabilities - Other financial liabilities in this category include non-derivative payables with fixed or determinable payments that are not quoted on an active market. They are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, except for short-term or sundry payables when the recognition of interest would be immaterial. This category includes trade and other payables. All the financial liabilities are short-term, therefore there are no material differences between the carrying value and fair value.

Trade payables are stated at their nominal value. The Partnership accrues for all goods and services consumed but as yet unbilled at amounts representing management's best estimate of fair value. Other creditors include balances representing unsettled purchased securities transactions and are recognised on a trade date basis. All balances are shown gross.

Derecognition of financial liabilities

The Partnership derecognises a financial liability when and only when the Partnership's obligation is discharged, cancelled or it expires.

Fixed assets

Fixtures and fittings and computer equipment are stated at cost less accumulated depreciation and any impairment loss. Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method (20% - 33% annual depreciation rate)

The carrying value of fixtures and fittings and computer equipment is reviewed for impairment when events or changes in circumstances indicate the carrying value may be impaired. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the impairment or loss.

Cash and cash equivalents

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term, liquid investments with a maturity of three months or less.

Impairment of financial assets

The Partnership assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired. A financial asset is impaired and an impairment loss incurred if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset.

Provisions

Provisions are recognised for present obligations arising from the consequences of past events where it is probable that a transfer of economic benefit will be necessary to settle the obligation and it can be reliably estimated. Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured. Contingent liabilities are disclosed as provisions and recognised in the financial statements at the discretion of the directors.

Members' remuneration

Members' are remunerated according to the Partnership agreement. The fixed component, priority profit share, is charged as an expense and paid in equal monthly instalments. The remaining profit for the year, merit based profit, is available for discretionary division among members according to governance given by the Partnership agreement, payable annually in March.

Members' interest

Members contribute capital in accordance with the Partnership agreement. Members are not entitled to interest on their contributed capital.

2 Operating profit

Operating profit for the period has been arrived at after charging:

	2015	2014
	£	£
Depreciation of plant and equipment	79,068	107,831
Staff costs for employees	2,615,980	2,744,717
Fees to the company's auditor for annual audit	16,500	15,000
Fees to company's auditor for regulatory assurance	1,000	1,500
Fees to the company's auditor for other services	8,250	11,000
Rental of land and buildings under operating leases	273,887	203,966
Foreign exhange gains (+) / losses (-)	12,704	15,719

3 Employees

	2015	2014
Staff costs consists of:	£	£
Wages and salaries	2,041,920	2,149,679
Social security costs	247,750	212,692
Other pension costs	326,310	382,346
Sum	**2,615,980**	**2,744,717**

The average number of employees (excluding members) during the year was 15 (2014: 15).

4 Members' share of profits

	2015	2014
	Number	Number
Average number of members	**6**	**7**

	2015	2014
	£	£
Average profit per member	**731,644**	**570,128**

The amount attributable to the member with the largest allocation of profit was £2,645,495 (2014: £1,832,555).

5 Tangible fixed assets

	Office and other computer equipment	Furnitures	Total
	£	£	£
Net book value at 1 January 2014	130,164	56,734	186,898
Additions	0	0	0
Depreciation	-57,240	-50,590	-107,830
Net book value at 31 December 2014	**72,924**	**6,144**	**79,068**
Net book value at 1 January 2015	72,924	6,144	79,068
Additions	0	0	0
Depreciation	-72,924	-6,144	-79,068
Net book value at 31 December 2015	**0**	**0**	**0**

6 Trade and other receivables

	2015	2014
	£	£
Amounts owed by group undertakings	14,825,299	12,972,317
Prepayments	159,596	72,915
Other debtors	94,745	7,472
Sum	**15,079,640**	**13,052,704**

7 Creditors amounts falling due within one year

	2015	2014
	£	£
Trade creditors	35,144	132,108
Other taxation and social security	76,723	110,881
Accruals	1,308,679	947,675
Sum	**1,420,546**	**1,190,664**

8 Members' interest

	Members' capital	Loans and other debt due to members	Total
	£	£	£
Members' interest at 1 January 2014	**3,080,000**	**8,143,796**	**11,223,796**
Capital paid back to nine terminated members	-45,000		-45,000
Members' remuneration charged as an expense		1,328,667	1,328,667
Profit for the year available for discretionary division		2,662,226	2,662,226
Drawings		-2,600,016	-2,600,016
Members' interest at 31 December 2014	**3,035,000**	**9,534,673**	**12,569,673**
Capital paid back to one terminated member	-5,000		-5,000
Members' remuneration charged as an expense		920,000	920,000
Profit for the year available for discretionary division		3,469,861	3,469,861
Drawings		-2,321,727	-2,321,727
Members' interest at 31 December 2015	**3,030,000**	**11,602,807**	**14,632,807**

Capital is repayable in accordance with the terms set out in the Partnership Agreement. Members' capital and other debt rank after unsecured creditors in the event of a winding up. The Financial Conduct Authority regulates the Partnership and the Partnership is required to comply with the Capital Requirements Directive.

9 Financial risk management

The Partnership is exposed to currency risk, liquidity risk and credit risk. The management committee seek to identify, assess and monitor each class of risk in accordance with defined policies and procedures.

The risk team is charged with monitoring the risk faced by the Partnership. The Management Committee approves all risk management policies and limits, and review all internal controls and associated risk management systems.

Currency risk

Currency risk arises from the exposure to changes in foreign exchange spot and forward prices and volatility of exchange rates. The Partnership is exposed to the risk that the GBP value of monetary assets or the GBP value of the profit and loss could change as a result of foreign exchange movements. The Partnership's policy is to minimise exposure to currency risk. The Partnership minimises its currency risk by exchanging foreign currency balances for sterling on a regular basis to such an extent that impact of unexchanged balances would be immaterial.

The intra-group accounts between the Partnership and its group parent company are both held in GBP. To the extent that exchange movements affect the intercompany balances, equal and opposite exchange movements occur in the records of the parent company. The Partnership does not have any significant exposure to foreign currency as this is retained and managed within the parent company.

Prior to allocation to the Partnership, the introducing fee revenue is typically received by the group in Norwegian Krona. This revenue is converted to GBP at the prevailing average monthly rate in which it is generated. The Partnership therefore has exposure in its revenue stream to fluctuations in the GBP Norwegian

Krona exchange rate. This risk is partly mitigated by the fact that some of the Partnership's costs are originally denominated in Norwegian Krona so creating a natural economic hedge.

The tables below summarise the effect of percentage changes in exchange rates against sterling movements on the Partnership's assets and liabilities as at 31 December. Assumed +/-10 percent change in foreign exchange rates:

2015	Assets	Liabilities	Net position	Gain (+) / loss (-)
	£	£	£	£
NOK	28,691	442,939	-414,248	-41,425
SEK	11,003	23,561	-12,558	-1,256
USD	78,478	949,355	-870,878	-87,088
EUR	10,430	45,243	-34,813	-3,481
DKK	0	74	-74	-7
Sum	**128,602**	**1,461,172**	**-1,332,570**	**-133,257**

2014	Assets	Liabilities	Net position	Gain (+) / loss (-)
	£	£	£	£
NOK	31,639	279,994	-248,355	-24,836
SEK	830	0	830	83
USD	118,910	477,440	-358,530	-35,853
EUR	22,125	38,667	-16,542	-1,654
DKK	0	12,711	-12,711	-1,271
Sum	**173,504**	**808,812**	**-635,308**	**-63,531**

Credit risk

The Partnership's principal financial assets are bank balances and cash, trade and other receivables. The Partnership is exposed to credit risk on its bank balance and on amounts due from the group parent company.

Credit risk is the potential loss that the Partnership would incur if a counterparty fails to settle under its contractual obligations or there is a failure of a deposit taking institution. The Partnership manages this exposure by the use of the group parent company to hold surplus funds and to settle transactions. The Partnership has no debtor which is past due but not yet impaired. The Partnership's only major debtor is its group parent company ABG Sundal Collier ASA, which has sufficient funds to pay the debt as and when required. The amount due from ABG Sundal Collier ASA was £14,393,612 (2014: £12,610,230).

Liquidity risk

The Partnership maintains most of its cash with its group parent company which it draws down as necessary in order to meet short-term obligations.

The following table details the expected maturity of the Partnership's material liabilities less than five years from the balance sheet date. The table has been drawn up based on the undiscounted net cash outflows.

31 December 2015	<1 month	1-3 months	3 months - 1 year	1-5 years
	£	£	£	£
Operating lease commitments	0	75,063	225,188	1,201,000
Creditors	0	1,420,546	0	0
Sum	**0**	**1,495,608**	**225,188**	**1,201,000**

31 December 2014	<1 month	1-3 months	3 months - 1 year	1-5 years
	£	£	£	£
Operating lease commitments	0	0	175,146	1,201,000
Creditors	0	1,190,664	0	0
Sum	**0**	**1,190,664**	**175,146**	**1,201,000**

10 Retirement benefits – Defined contribution scheme

The Partnership operates a defined contribution benefit scheme for all members and employees. The total cost charged to income of £326,310 (2014: £382,346) represents contributions payable to these schemes by the Partnership at rates specified in the rules of the plans. As at 31 December 2015, all contributions due in respect of the current reporting period had been paid over to the scheme.

11 Related party transactions

As the Partnership acts as an introducing broker for its parent, the majority of its income is derived from ABG Sundal Collier ASA. In addition, there are some transactions related to the corporate member ABG Sundal Collier Limited, as well as cost reimbursements from other companies within the ABGSC Group.

During the year, the Partnership entered into the following transactions with related parties:

2015	Introducing fees	Rent expense	Interest	Amount owed by/to related
	£	£	£	£
ABG Sundal Collier ASA	9,797,957		125,165	14,393,612
ABG Sundal Collier Ltd			-67,238	-7,732,375
ABG Sundal Collier AB			539	86,955
ABG Sundal Collier Inc			-393	-85,041
ABG Sundal Collier Copenhagen			99	12,048
ABG Sundal Collier Frankfurt			3,013	332,684
Group undertakings	**9,797,957**	**0**	**61,185**	**7,007,883**

2014	Introducing fees	Rent expense	Interest	Amount owed by/to related
	£	£	£	£
ABG Sundal Collier ASA	8,930,260		97,574	12,610,230
ABG Sundal Collier Ltd		203,966	-51,051	-6,098,395
ABG Sundal Collier AB			65	23,362
ABG Sundal Collier Inc			-47	-26,934
ABG Sundal Collier Copenhagen			65	9,502
ABG Sundal Collier Frankfurt			1,231	329,222
Group undertakings	**8,930,260**	**203,966**	**47,837**	**6,846,987**

12 Operating lease arrangements

	2015	2014
	£	£
Minimum lease payments under operating lease recognised as an expense in the year	273,887	221,034

At the balance sheet date the Partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015	2014
	£	£
Within one year	300,250	175,146
In the second to fifth year inclusive	1,201,000	1,201,000
After five years	675,563	879,616
Sum	**2,176,813**	**2,255,762**

13 Ultimate parent company

The company is a subsidiary of ABG Sundal Collier ASA, a company incorporated in Norway. Both ABG Sundal Collier ASA and ABG Sundal Collier Holding ASA (ultimate parent company and the ultimate controlling party) prepares group accounts in which the results of the company are incorporated. The group accounts for both ABG Sundal Collier ASA and ABG Sundal Collier Holding ASA are available at Munkedamsveien 45, 0250 Oslo, Norway.