

Registered number: OC317262

ABACO ASSET MANAGEMENT LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2012



ABACO ASSET MANAGEMENT LLP

CONTENTS

	Page
Members' report	1
Members' responsibilities statement	2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the financial statements	8 - 14
<p>The following pages do not form part of the statutory financial statements</p>	
Detailed profit and loss account and summaries	15 - 16

ABACO ASSET MANAGEMENT LLP

**MEMBERS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

The members present their annual report together with the audited financial statements of Abaco Asset Management LLP (the LLP) for the ended 30 September 2012

PRINCIPAL ACTIVITY

The principal activity of the LLP in the year under review was that of investment management

DESIGNATED MEMBERS

The designated members during the year under review were

M Deurell
L A Rivera-Camino (resigned 02/07/2012)
D Saiz (appointed 02/07/2012)
Abax Limited (appointed 22/08/2012)

MEMBERS' CAPITAL AND INTERESTS

Each member's subscription to the capital of the LLP is determined by their share of the profit and is repayable following retirement from the LLP

Details of changes in members' capital in the ended 30 September 2012 are set out in the financial statements

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits Profits are allocated and divided between members after finalisation of the financial statements Members draw a proportion of their profit shares monthly during the year in which it is made, with the balance of profits being distributed after the year, subject to the cash requirements of the business

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The profit for the year before members' remuneration and profit shares was £1,828,640 (2011 - £705,193)

This report was approved by the members on 28 June 2013 and signed on their behalf by

.....
D Saiz
Designated member



ABACO ASSET MANAGEMENT LLP

**MEMBERS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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

Company law, as applied to LLPs, 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). Under company law, as applied to LLPs, 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,
- 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 entity'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. 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.

ABACO ASSET MANAGEMENT LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABACO ASSET MANAGEMENT LLP

We have audited the financial statements of Abaco Asset Management LLP for the year ended 30 September 2012, set out on pages 5 to 14. 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. 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 30 September 2012 and of its profit 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.

ABACO ASSET MANAGEMENT LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABACO ASSET MANAGEMENT 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

Ms Kathleen Parker FCCA (Senior statutory auditor)

for and on behalf of

Wellers

Accountants

Statutory Auditors

1 Vincent Square

London

SW1P 2PN

28 June 2013

ABACO ASSET MANAGEMENT LLP

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	Note	2012 £	2011 £
TURNOVER	1,2	2,795,819	1,069,432
Cost of sales		<u>(255,412)</u>	<u>-</u>
GROSS PROFIT		2,540,407	1,069,432
Administrative expenses		<u>(715,336)</u>	<u>(365,095)</u>
OPERATING PROFIT	3	1,825,071	704,337
Interest receivable and similar income		<u>3,569</u>	<u>856</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		<u>1,828,640</u>	<u>705,193</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

The notes on pages 8 to 14 form part of these financial statements

**ABACO ASSET MANAGEMENT LLP
REGISTERED NUMBER OC317262**

**BALANCE SHEET
AS AT 30 SEPTEMBER 2012**

	Note	2012		2011	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		78,777		-
CURRENT ASSETS					
Debtors	8	971,217		249,382	
Cash at bank		1,098,781		198,343	
		<u>2,069,998</u>		<u>447,725</u>	
CREDITORS . amounts falling due within one year	9	(727,988)		(25,332)	
NET CURRENT ASSETS			<u>1,342,010</u>		<u>422,393</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS			<u>1,420,787</u>		<u>422,393</u>
 REPRESENTED BY:					
Loans and other debts due to members within one year					
Other amounts			1,274,954		-
Equity					
Members' other interests - Other reserves classified as equity under FRS 25			145,833		422,393
			<u>1,420,787</u>		<u>422,393</u>
 TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members			1,274,954		-
Members' other interests			145,833		422,393
	11		<u>1,420,787</u>		<u>422,393</u>

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


.....
D Saiz
Designated member

Date 28 June 2013

The notes on pages 8 to 14 form part of these financial statements

ABACO ASSET MANAGEMENT LLP

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	12	1,811,563	511,167
Returns on investments and servicing of finance	13	3,569	856
Capital expenditure and financial investment	13	(84,448)	-
Net cash flow from transactions with members	13	(830,246)	(729,433)
INCREASE/(DECREASE) IN CASH IN THE YEAR		<u>900,438</u>	<u>(217,410)</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	2012 £	2011 £
Increase/(Decrease) in cash in the year	900,438	(217,410)
Cash outflow from decrease in debt and lease financing	553,686	-
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	<u>1,454,124</u>	<u>(217,410)</u>
Other non-cash changes	(1,828,640)	-
MOVEMENT IN NET DEBT IN THE YEAR	<u>(374,516)</u>	<u>(217,410)</u>
Net funds at 1 October 2011	198,343	415,753
NET (DEBT)/FUNDS AT 30 SEPTEMBER 2012	<u>(176,173)</u>	<u>198,343</u>

The notes on pages 8 to 14 form part of these financial statements

ABACO ASSET MANAGEMENT LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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 accounting standards and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships"

1.2 Turnover

Turnover comprises revenue recognised by the LLP in respect of consultancy services supplied during the year, exclusive of Value Added Tax

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

S/Term Leasehold Property	-	over the period of the lease
Fixtures & fittings	-	20% straight line
Computer equipment	-	33% straight line

1.4 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.5 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

1.6 Members' drawings and subscription to capital

There is no fixed capital contribution and all remaining profits after member's remuneration are subject to discretionary allocation

2. TURNOVER

The whole of the turnover is attributable to management consultancy

All turnover arose within the United Kingdom

ABACO ASSET MANAGEMENT LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation of tangible fixed assets - owned by the LLP	5,671	-
Operating lease rentals - other operating leases	10,304	5,220
Difference on foreign exchange	100,387	(25,512)
	100,387	(25,512)

4. AUDITORS' REMUNERATION

	2012 £	2011 £
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual accounts	4,250	-
Fees payable to the LLP's auditor and its associates in respect of All other non-audit services not included above	6,050	3,500
	6,050	3,500

5. STAFF COSTS

Staff costs were as follows

	2012 £	2011 £
Wages and salaries	153,253	90,473
Social security costs	19,138	10,698
	172,391	101,171

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

	2012 No.	2011 No
Employees	2	2
	2	2

ABACO ASSET MANAGEMENT LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

6. INFORMATION IN RELATION TO MEMBERS

	2012 Number	2011 Number
The average number of members during the year was	<u>3</u>	<u>3</u>
	£	£
The amount of profit attributable to the member with the largest entitlement was	<u>1,680,640</u>	<u>448,278</u>

7. TANGIBLE FIXED ASSETS

	S/Term Leasehold Property £	Fixtures & fittings £	Computer equipment £	Total £
Cost				
Additions	<u>49,986</u>	<u>10,304</u>	<u>24,158</u>	<u>84,448</u>
At 30 September 2012	<u>49,986</u>	<u>10,304</u>	<u>24,158</u>	<u>84,448</u>
Depreciation				
Charge for the year	<u>2,499</u>	<u>515</u>	<u>2,657</u>	<u>5,671</u>
At 30 September 2012	<u>2,499</u>	<u>515</u>	<u>2,657</u>	<u>5,671</u>
Net book value				
At 30 September 2012	<u>47,487</u>	<u>9,789</u>	<u>21,501</u>	<u>78,777</u>
At 30 September 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

8. DEBTORS

	2012 £	2011 £
Trade debtors	<u>12,228</u>	<u>15,138</u>
Other debtors	<u>396,136</u>	<u>4,352</u>
Prepayments and accrued income	<u>562,853</u>	<u>229,892</u>
	<u>971,217</u>	<u>249,382</u>

ABACO ASSET MANAGEMENT LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012

9. CREDITORS:

Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	14,044	4,318
Social security and other taxes	7,481	14,114
Other creditors	628,892	5,025
Accruals and deferred income	77,571	1,875
	<u>727,988</u>	<u>25,332</u>

10. LOANS AND OTHER DEBTS DUE TO MEMBERS

	2012	2011
	£	£
Amounts due to members	<u>1,274,954</u>	<u>-</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up

ABACO ASSET MANAGEMENT LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

11. RECONCILIATION OF MEMBERS' INTERESTS

	Members' capital (classified as equity) £	Other reserves £	Total members' other interests £	Loans and debts due to members less any amounts due from members in debtors £	Total £
Members' interests balance at 1 October 2011	422,393	-	422,393	-	422,393
Profit for the year available for discretionary division among members	-	1,828,640	1,828,640	-	1,828,640
Members' interests after profit for the year	422,393	1,828,640	2,251,033	-	2,251,033
Allocated profit for period	-	(1,828,640)	(1,828,640)	1,828,640	-
Amounts withdrawn by members	-	-	-	(553,686)	(553,686)
Capital amounts introduced by members	145,833	-	145,833	-	145,833
Amount distributed	(422,393)	-	(422,393)	-	(422,393)
Members' interests at 30 September 2012	145,833	-	145,833	1,274,954	1,420,787

12. NET CASH FLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Operating profit	1,825,071	704,337
Depreciation of tangible fixed assets	5,671	-
Increase in debtors	(721,837)	(133,920)
Increase/(decrease) in creditors	702,658	(59,250)
Net cash inflow from operating activities	1,811,563	511,167

ABACO ASSET MANAGEMENT LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	3,569	856
	<u>3,569</u>	<u>856</u>
	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(84,448)	-
	<u>(84,448)</u>	<u>-</u>
	2012 £	2011 £
Transactions with members		
Payments to members	(976,079)	(729,433)
Contributions by members	145,833	-
	<u>(830,246)</u>	<u>(729,433)</u>
Net cash outflow from transactions with members	<u>(830,246)</u>	<u>(729,433)</u>
Analysed as follows:		
Net transactions with members relating to equity	(276,560)	(729,433)
Net transactions with members relating to debt	(553,686)	-
	<u>(830,246)</u>	<u>(729,433)</u>

14. ANALYSIS OF CHANGES IN NET DEBT

	1 October 2011 £	Cash flow £	Other non-cash changes £	30 September 2012 £
Cash at bank and in hand	198,343	900,438	-	1,098,781
Debt:				
Loans and other debts due to members	-	553,686	(1,828,640)	(1,274,954)
	<u>198,343</u>	<u>1,454,124</u>	<u>(1,828,640)</u>	<u>(176,173)</u>
Net funds	<u>198,343</u>	<u>1,454,124</u>	<u>(1,828,640)</u>	<u>(176,173)</u>

ABACO ASSET MANAGEMENT LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

15. OPERATING LEASE COMMITMENTS

At 30 September 2012 the LLP had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2012	2011
	£	£
Expiry date		
Between 2 and 5 years	21,860	-

16. RELATED PARTY TRANSACTIONS

At the balance sheet date there were the following balances with related parties -

£623,598 (2011 - £nil) was due to Abax Iberia S L (formerly PCE Espana S L) a company registered in Spain, under the indirect control of I Lecubari, L Rivera-Camino and M Deurell, individuals with an interest in the LLP

£304,732 (2011 - £nil) was due to the LLP from I Lecubari No interest or repayments terms have been agreed on this loan

£91,404 (2011 - £nil) was due to the LLP from L Rivera-Camino No interest or repayments terms have been agreed on this loan

During the year the LLP incurred advisory service costs from Abax Iberia S L totalling £238,703 (2011 - £nil)

17. CONTROLLING PARTY AND ULTIMATE CONTROLLING PARTY

During the year the LLP was under the control of Abax Limited, a company registered in Malta In the preceding year the LLP was under the control of its members, I Lecubari, L Rivera-Camino and M Deurell

The ultimate controlling party in both years was I Lecubari, L Rivera-Camino and M Deurell