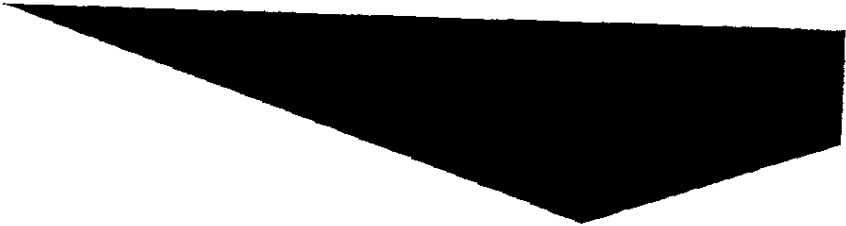
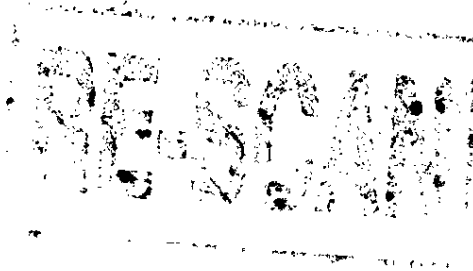


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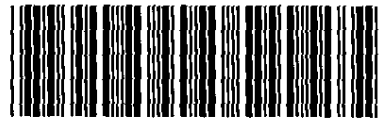


U.S. Bank Trustees Limited  
Directors' Report and Financial Statements

31 December 2016



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## Directors and Other Information

### Board of Directors

Tom Cubitt  
Declan Lynch

### Company Secretary

Michael Shea

### Registered Office

U.S. Bank Global Corporate Trust Services  
L5, 125 Old Broad Street,  
London, EC2N 1AR

### Auditors

Ernst & Young  
Chartered Accountants  
Ernst & Young Building  
Harcourt Centre  
Harcourt Street  
Dublin 2

**Registered Number: 2379632**

## Directors' Report

The Directors present herewith their report together with the audited Financial Statements for the year ended 31 December 2016.

### Principal activities

The principal activity of the Company is providing trust services. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

### Review of development and performance of the business and position during the financial year

The Directors are satisfied with the Company's performance and financial position for the year which are set out in the Statement of Comprehensive Income and the Statement of Financial Position on pages 5 and 6 respectively.

### 2016 performance and key performance indicators

Given the uncomplicated nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

### Dividend

The Directors do not recommend the payment of a dividend (2015 - £nil).

### Research and development

No research and development activities have been carried out by the Company in 2016.

### Events after the reporting period

There were no significant events since the year end that require adjustment to or disclosure in the Financial Statements.

### Political donations

No political donations were made during the year.

### Going concern

The Directors have a reasonable expectation, having made appropriate enquiries that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Financial Statements are prepared on a going concern basis.

### Financial Risk Management

Details of the Company's financial risk management objectives and policies are set out in note 12 to the Financial Statements.

### Books of accounts

The measures taken by the Directors to ensure compliance with the Company's obligation to keep proper books of account, as outlined in Section 386 of the Companies Act 2006, are the use of appropriate systems and procedures and the employment of competent persons who report to the Chief Financial Officer and ensure that the requirements of the legislation are complied with. The books of account are kept at 1<sup>st</sup> Floor, Building 8, Cherrywood Science & Technology Park, Loughlinstown, D18 W319.

## Directors' Report (continued)

### Directors' and Secretary's shareholdings

The names of the present Directors at any time during the year ended 31 December 2016 are listed on page 1. Unless otherwise indicated, they served as Directors for the entire year.

The Directors have not at any time during the year held any beneficial interests in the shares of the Company.

### Principal risks and uncertainties

Risk management is an integral part of the Company's business process. Risk management and governance arrangements have been described elsewhere in this Report in note 12.

The risks and uncertainties which are currently judged to have the largest impact on the Company's performance are noted below:

- Changes in and adherence to government and regulatory compliance regulations, could result in increased compliance costs for the Company and adversely affect operations and profitability;
- Movements in foreign currency exchange rates may adversely affect the Company. The management of this risk is detailed in note 12 to the Financial Statements;
- Operational risks, including technology and systems execution risk, information security breaches and data protection compliance, business continuity planning and disaster recovery. Inadequate management of these risks could adversely impact the Company.

### Directors' responsibilities statement

The Directors are responsible for preparing the Directors' report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements giving a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for each financial year. Under Company law, the Directors have elected to prepare the Company Financial Statements in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS EU").

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the Financial Statements have been prepared in accordance with applicable accounting standards, identify those standards and note the effect and the reasons for any material departure from those standards.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain that the Company's transaction and enable them to ensure that the Financial Statements comply with the Companies Acts 2006.

Directors' Report (continued)

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Provision of information to Auditors**

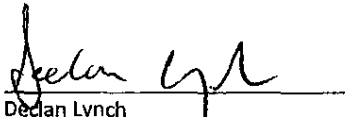
Each director confirms that:

- So far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- They have taken all the steps that they ought to have taken as a director in order to make themselves aware of the relevant audit information and to establish that the Company's auditors are aware of that information.

**Auditors**

Ernst & Young, Statutory Auditor for the year ended 31st December 2016, will be replaced by Mazars for the year ended 31st December 2017 in order to comply with legislation.

Approved by the Board of Directors and authorised for issue on the 3<sup>rd</sup> May 2017.

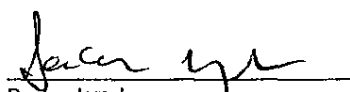
  
Declan Lynch  
Director

Statement of Comprehensive Income  
For the year ended 31 December 2016

<b>U.S. Bank Trustees Limited</b>			
<i>In thousands of GBP</i>	<b>Note</b>	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
Fee and commission income	3	2,890	2166
Fee and commission expense	3	(24)	(5)
<b>Net fee and commission income</b>		<b>2,866</b>	<b>2,161</b>
Operating expense	5	(2,760)	(1,936)
Foreign exchange gain/(loss)	5	20	(22)
<b>Profit for the year from continuing operations before taxation</b>		<b>126</b>	<b>203</b>
Income tax expense	6	(25)	(41)
<b>Profit for the year from continuing operations, net of tax</b>		<b>101</b>	<b>162</b>

The results above are all derived from continuing activities.

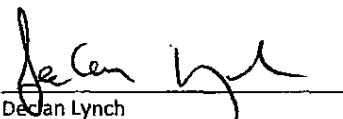
Approved by the Board of Directors and authorised for issue on the 3<sup>rd</sup> May 2017.

  
Declan Lynch  
Director

Statement of Financial Position  
For the year ended 31 December 2016

<b>U.S. Bank Trustees Limited</b>			
<i>In thousands of GBP</i>	<b>Note</b>	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
<b>Assets</b>			
Security services receivables	7	1,766	2,298
Other assets	8	1,865	3,673
<b>Total assets</b>		<b>3,631</b>	<b>5,971</b>
<b>Liabilities</b>			
Current tax liability		3	2
Other liabilities	9	2,734	5,176
<b>Total liabilities</b>		<b>2,737</b>	<b>5,178</b>
<b>Equity</b>			
Called up share capital	10	250	250
Retained earnings		644	543
<b>Total equity</b>		<b>894</b>	<b>793</b>
<b>Total liabilities and equity</b>		<b>3,631</b>	<b>5,971</b>

Approved by the Board of Directors and authorised for issue the 3<sup>rd</sup> May 2017.

  
Declan Lynch  
Director



Statement of Changes in Equity  
For the year ended 31 December 2016

<b>U.S. Bank Trustees Limited</b>			
<i>In thousands of GBP</i>	<b>Called Up Share Capital</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
<b>Balance as at 1 January 2015</b>	250	381	631
Profit for the year	-	162	162
Other comprehensive income	-	-	-
<b>Balance as at 31 December 2015</b>	250	543	793
Profit for the year	-	101	101
Other comprehensive income	-	-	-
<b>Balance as at 30 September 2016</b>	<b>250</b>	<b>644</b>	<b>894</b>

Statement of Cash Flows  
For the year ended 31 December 2016

<b>U.S. Bank Trustees Limited</b>		
<i>In thousands of GBP</i>	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
<b>Cash flows from operating activities</b>		
Profit before tax	126	203
Adjustments to reconcile profit before tax to net cash		
Net change in security services receivables	532	(421)
Net change in other assets	1,808	185
Net change in other liabilities	(2,442)	58
Taxation paid	(24)	(25)
<b>Net cash used in operating activities</b>	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	-	-
Cash and cash equivalents at the beginning of the year	-	-
<b>Cash and cash equivalents at the end of the year</b>	-	-

## Notes to the Financial Statements

### 1 Basis of Preparation

#### Reporting entity

U.S. Bank Trustees Limited (the "Company") is a company incorporated and domiciled in the United Kingdom. The address of the Company's registered office is Level 5, 125 Old Broad Street, London, EC2N 1AR.

#### Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS EU") and applicable as at December 2016.

#### Basis of measurement

The Financial Statements have been prepared on historical cost basis.

#### Functional and presentation currency

The Financial Statements of the Company are presented in sterling (also referred to as "GBP" and "£") which is also the functional currency of the Company.

#### Use of estimates and judgements

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that may affect the application of policies and reported amounts of certain assets, liabilities, revenues and expenses and disclosures of contingent assets and liabilities.

The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Management's judgment involves making estimates concerning the likelihood of future events, the actual results could differ from those estimates. Estimates and judgments are continually evaluated and revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

### 2 Summary of Significant Accounting Policies

The significant accounting policies that U.S. Bank Trustees Limited applied in the preparation of the Financial Statements for the year ended 31 December 2016 are set out below.

#### Foreign currency transaction

##### *Transaction and balances*

As at the reporting date, assets and liabilities denominated in a foreign currency are translated into the Company's presentation currency, (GBP), at the exchange rate on the Statement of Financial Position date and items in the Statement of Comprehensive Income are translated at the rate prevailing at the date of the transaction.

Non-monetary items that are measured in terms of historical cost in foreign currencies are translated using the exchange rates at the dates of the initial transaction. Non-monetary items measured at fair value in foreign currencies are translated using the exchange rates at the date when the fair value is determined.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the retranslation at year end exchange rates of the amortised cost of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

#### Other operating income

Other operating income consists primarily of revenue recognised by the Company in respect of services provided during the year, exclusive of value added tax and trade discounts and is generated through transfer pricing.

## Notes to the Financial Statements

### 2 Summary of Significant Accounting Policies (continued)

#### Income tax, including deferred tax

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

#### New and amended standards and interpretations

##### *IAS 27 Consolidated and Separate Financial Statements*

The amendment is applied retrospectively and allows entities the option to use the equity method to account for investments in subsidiaries, joint venture and associates in their separate Financial Statements. The amendment does not apply to the Company as the company does not prepare Consolidated Financial Statements.

##### *IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets (amendments)*

The amendment is applied prospectively and clarifies that a depreciation/amortization method that reflects a pattern of generation of economic benefits from the asset rather than a pattern of consumption of the asset's economic benefits is not an appropriate method of depreciation/amortization. The amendment does not apply to the Company as the company does not hold property, plant and equipment or any intangible assets.

##### *IAS 1 Presentation of Financial Statements*

The amendment provides clarifications to enhance comparability and understandability of the Financial Statements including: considerations of materiality and aggregation of items presented on both the face of the Financial Statements and the notes, the use of subtotals in the Statement of Financial Position, Profit and Loss and Other Comprehensive Income, and the structure of the notes to the Financial Statements including significant accounting policies. This amendment did not have a material impact on the Company.

##### *IFRS 10, IFRS 12 & IAS 28 Investment entities: Applying the Consolidation Exception*

The amendment clarifies that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value. Only a subsidiary that is not an investment entity itself and provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value. This amendment did not apply to the Company.

##### *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements Cycle 2012-2014)*

This improvement intends to clarify that in circumstances where an entity reclassifies an asset directly from held for sale (or vice versa) that the presentation, classification and measurement provisions of IFRS 5 shall continue to be applied. The Company is currently evaluating the impact, but does not anticipate that adopting the amendments would have a material impact on its Financial Statements.

##### *IFRS 7 Financial Instruments: Disclosures - Servicing Contracts (Annual Improvements Cycle 2012-2014)*

This amendment clarifies how an entity should apply the guidance regarding continuing involvement to a servicing contract to decide whether a servicing contract constitutes continuing involvement for the purposes of applying disclosure requirements in paragraphs. The Company is currently evaluating the impact, but does not anticipate that adopting the amendments would have a material impact on its Financial Statements.

## Notes to the Financial Statements

### 2 Summary of Significant Accounting Policies (continued)

#### New and amended standards and interpretations

##### *IFRS 7 Financial Instruments: Disclosures – Applicability of the Amendments to IFRS 7 to Condense Interim Financial Statements (Annual Improvements Cycle 2012-2014)*

This amendment clarifies that the additional disclosure required by the amendments to IFRS 7 (*Disclosure – Offsetting Financial Assets and Financial Liabilities*) is not specifically required to be provided in condensed interim Financial Statements that are prepared in accordance with IAS 34 when its inclusion would be required by the requirements of IAS 34. This amendment does not have a material impact on the Company.

##### *IAS 19 Employee Benefits (Annual Improvements Cycle 2012-2014)*

This amendment clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Consequently, the depth of the market for high quality corporate bonds should be assessed at the currency level. The amendment does not apply to the Company as the company does not have any employees.

##### *IAS 34 Interim Financial Reporting (Annual Improvements Cycle 2012-2014)*

This amendment clarifies the meaning of disclosure of information “elsewhere in the interim financial report” and requires the inclusion of a cross-reference from the interim Financial Statements to the location of this information. This amendment does not apply to the Company.

#### New accounting pronouncements with a future effective date

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's Financial Statements are disclosed below. As at the Financial Statements effective date, the Company is assessing impacts if any:

##### *IFRS 9 Financial Instruments – Classification and Measurement*

This standard will replace IAS 39 for annual periods on or after 1 January 2018, with early adoption permitted. From a classification and measurement perspective, the new standard will require all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The IAS 39 measurement categories will be replaced by: fair value through profit or loss (FVPL), fair value through other comprehensive income (FVOCI), and amortised cost. The Company does not anticipate that this will have a material impact.

##### *IFRS 15 Revenue from Contracts with Customers*

IFRS 15 Revenue from Contracts with customers defines principles for recognizing revenue and will be applicable to all contracts with customers. However, interest and fee income integral to financial instruments and leases will continue to fall outside the scope of IFRS 15 and will be regulated by other applicable standards. This standard is effective for periods beginning on 1 January 2018. The Company does not anticipate early adopting IFRS 15.

##### *IFRS 16 Leases*

The new standard does not significantly change the accounting for leases for lessors. However, it does require lessees to recognise most leases on their balance sheets as lease liabilities, with the corresponding right-of-use assets. IFRS 16 is effective for annual periods beginning on or after 1 January 2019 with early adoption permitted, provided the new Revenue standard, IFRS 15, is applied on the same date. The Company does not anticipate early adopting IFRS 16 and is currently evaluating its impact.

##### *IAS 7 Statement of Cash Flows (amendments)*

The amendment is applied prospectively and intends to improve disclosures of financing activities and help users to better understand the reporting entities' liquidity positions. Under the new requirements, entities will need to disclose changes in their financial liabilities as a result of financing activities such as changes from cash flows and non-cash items. This amendment is applicable for annual periods beginning 1 January 2017. This amendment will have an impact on prospective application of disclosures; however, no comparative disclosures are required in initial year of application.

## Notes to the Financial Statements

### 2 Summary of Significant Accounting Policies (continued)

#### New accounting pronouncements with a future effective date (continued)

##### IAS 12 Income Taxes (amendments)

The amendment is applied prospectively and clarifies the accounting treatment of deferred tax assets of debt instruments measured at fair value for accounting, but measured at cost for tax purposes. The Company is currently evaluating the impact, but does not anticipate that adopting the amendments would have a material impact on its Financial Statements.

##### IFRS 2 Clarifications of Classifications and Measurements (amendments)

The amendment specifies that a share-based payment transaction in which the entity settles the share-based payments arrangement net, by withholding a specified portion of the equity instruments to meet the employee tax obligation, should be classified as equity-settled in its entirety, if the entire share-based payment would otherwise be classified as equity-settled without the net settlement feature. This amendment is effective for periods beginning 1 January 2018 with early application permitted. This amendment will have no impact on the Company.

##### IFRS 4 IFRS 4 Financial Instruments and the new Insurance Contracts Standard (amendments)

Both IFRS 9 – Financial Instruments and the new Insurance Contracts Standard, which will replace IFRS 4, are relevant to companies that issue insurance contracts. The replacement of IFRS 4 will have an effective date no earlier than 2020. This amendment will have no impact on the Company.

##### IAS 40 Transfer of Investment Property (amendments)

IAS 40 Investment Property prescribes the accounting for property held to earn rentals, for capital appreciation, or both. The effective date of this amendment is 1 January 2018. This amendment will have no impact on the Company as the company does not hold 'investment property'.

#### Annual improvements cycle 2014-2016

- IFRS 1 Deletion of short term exemptions
- IFRS 12 Interest in other entities
- IAS 28 Options of fair value through P&L

### 3 Fee and Commission Income and Expense

The Company earns trust fee income from a diverse range of services. Corporate Trust fees are all fees earned by the Company in respect to the Special Purpose Vehicles ("SPVs"), under the relevant Governing Instruments and include: Trustee, Principal Paying Agent, Transfer Agent, Calculation Agent, Agent Bank, Custodian, Cash Manager, Reporting Agent and other roles. Corporate Trust revenue is recognised on an accrual basis in the financial year in which the services are provided. These fees are determined in accordance with contracts between the Company and their clients.

<b>Fee and Commission Income and Expense</b>		
<i>In thousands of GBP</i>	<b>31 Dec 16</b>	<b>31 Dec 15</b>
<b>Fee and commission income</b>		
Corporate trust revenue	2,890	2,166
<b>Total fee and commission income</b>	<b>2,890</b>	<b>2,166</b>
<b>Fee and commission expense</b>		
Fee and commission expense - other	24	5
<b>Total fee and commission expense</b>	<b>24</b>	<b>5</b>
<b>Net fee and commission income</b>	<b>2,866</b>	<b>2,161</b>

## Notes to the Financial Statements

### 4 Employees

The Company did not have any employees during the year (2015 – nil).

### 5 Operating Expense

<b>Operating Expenses</b>		
<i>In thousands of GBP</i>	<b>31 Dec 16</b>	<b>31 Dec 15</b>
<b>Auditor's remuneration</b>		
Statutory audit	21	1
Taxation services	24	36
<b>Total Auditor's remuneration</b>	<b>45</b>	<b>37</b>
<b>Other operating expenses</b>		
Services provided by affiliate companies	2,711	1,863
Other operating expenses - Other	-	6
Professional services	4	30
<b>Total other operating expenses</b>	<b>2,715</b>	<b>1,899</b>
<b>Total operating expense</b>	<b>2,760</b>	<b>1,936</b>
<b>Foreign exchange gain/(loss)</b>	<b>20</b>	<b>(22)</b>

### 6 Income Taxes

<b>Income Taxes</b>		
<i>In thousands of GBP</i>	<b>31 Dec 16</b>	<b>31 Dec 15</b>
(a) Analysis of charge for year		
Corporation tax based on profit/loss for the year at 20% (2016-20% [2015-20.25%])	25	41
Prior year adjustment	-	-
	<u>25</u>	<u>41</u>

The headline rate of UK corporation tax reduced from 20% on 1 April 2015. A further rate reduction of 3% was announced on 8 July 2015 which will reduce the tax rate to 19% from 1 April 2017 and 17% from 1 April 2020 respectively. These changes were included in the Finance Act 2015 which was substantively enacted on 6 September 2016.

#### (b) Factors affecting tax charge for year:

	<b>31 Dec 16</b>	<b>31 Dec 15</b>
Profit/loss on ordinary activities before tax	<u>126</u>	<u>203</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 – 20.25%)	25	41
Effects of:		
Losses surrendered for group relief purposes	-	-
Prior year adjustment	-	-
	<u>25</u>	<u>41</u>

## Notes to the Financial Statements

### 7 Security Services Receivables

<b>Security Services Receivables</b>		
<i>In thousands of GBP</i>	<b>31 Dec 16</b>	<b>31 Dec 15</b>
Corporate Trust fee receivables	1,766	2,298
<b>Total</b>	<b>1,766</b>	<b>2,298</b>

### 8 Other Assets

<b>Other Assets</b>			
<i>In thousands of GBP</i>	<b>NOTE</b>	<b>31 Dec 16</b>	<b>31 Dec 15</b>
Tax debtors		524	994
Other		-	118
Receivables from affiliate companies	14	1,341	2,561
<b>Total</b>		<b>1,865</b>	<b>3,673</b>

### 9 Other Liabilities

<b>Other Liabilities</b>			
<i>In thousands of GBP</i>	<b>NOTE</b>	<b>31 Dec 16</b>	<b>31 Dec 15</b>
Accruals and sundry creditors		12	-
Deferred revenue		889	555
Payables to affiliate companies	14	1,630	4,496
VAT and other tax creditors		-	125
Other		203	-
<b>Total</b>		<b>2,734</b>	<b>5,176</b>

### 10 Called Up Share Capital

<b>Called Up Share Capital</b>		
<i>In thousands of GBP</i>	<b>31 Dec 16</b>	<b>31 Dec 15</b>
Allotted, called up fully paid 250,000 ordinary shares of £1 each	250	250
<b>Total</b>	<b>250</b>	<b>250</b>

### 11 Risk Management

The Company regards managing risks as an essential part of successfully operating a financial services company. Material risks are deemed to be those risks which may impact the Company's ability to deliver on its business plan, service its customers, operate in a legal and compliant manner, impact the Company's reputation and brand or cause financial loss exceeding normal business plan tolerances.

#### *Credit Risk*

The Company takes exposure to credit risk, which is risk that a counter party will be unable to pay the amounts in full when they fall due. Impairment provisions, where necessary, are provided for losses that have incurred by the Statement of Financial Position date. The Company's main credit risk concentration relates Corporate Trust fee receivables and the maximum exposure to credit risks for these accounts receivables is as per Note 7.



## Notes to the Financial Statements

### 12 Risk Management (continued)

#### *Operational risk*

The Company defines operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The Company maintains a system of controls with the objective of providing proper transaction authorisation and execution, safeguarding of assets from misuse or theft, and ensuring the reliability of financial and other data. Management are responsible for ensuring that the controls are appropriate and are implemented as designed.

#### *Interest rate risk*

Interest rate risk is primarily related to interest bearing liabilities and assets. Currently, none of the Company's assets and liabilities are exposed to interest rate risk and hence, interest rate sensitivity analysis is not applicable.

#### *Market Risk*

Market risk is defined as the current or prospective risk to earnings and capital arising from adverse movements in price of financial assets and financial liabilities and it rises from related factors such as market volatilities. None of the Company's financial assets and financial liabilities are exposed to market risk.

#### *Liquidity risk*

Liquidity risk is defined as the current or prospective risk to earnings and capital arising from the Company's inability to meet its liabilities when they come due. The Company's approach to liquidity risk management is designed to maintain sufficient liquidity in both normal operating environments as well as in periods of severe stress.

#### *Currency risk*

The Company is exposed to currency risk in the normal course of business, principally on revenues generated in EUR, PLN, CHF & USD.

The table below is a sensitivity analysis which demonstrates the effects of potential 5% adverse movements in the exchange rate of the given currencies versus GBP.

<b>Foreign Exchange Risk</b>		
<i>In GBP</i>	<b>2016 Statement of Income</b>	<b>2015 Statement of Income</b>
CHF	(225)	(191)
EUR	372	(2,221)
PLN	(646)	(369)
USD	1,541	43
<b>Total</b>	<b>1,042</b>	<b>(2,739)</b>

### 13 Capital Management

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2016.

## Notes to the Financial Statements

### 14 Related Party Transactions

The Company is a subsidiary of Elavon Financial Services DAC, a company incorporated in the Republic of Ireland.

The Company's ultimate parent company and controlling party is U.S. Bancorp, which is incorporated in Delaware (United States of America). This is the smallest and largest group to prepare consolidated Financial Statements, which include the Financial Statements of the Company that are available for public viewing.

No transactions involving key management personnel of the Company or its Parent occurred during the year. The Directors received no remuneration for the years presented in the Financial Statements.

The Company also entered into day-to-day transactions with U.S. Bancorp and its subsidiaries, mainly comprising the recharging of various costs incurred and transfer pricing. The costs incurred in respect of these transactions totalled GBP 2,711 thousand during 2016 (2015: GBP 1,863 thousand).

As at 31 December 2016 the Company had receivables from affiliate companies of GBP 1,341 thousand (2015: 2,561 thousand) and payables to affiliate companies of GBP 1,630 thousand (2015: 4,496 thousand).

### 15 Subsequent Events

There are no subsequent events after the reporting date.

### 16 Approval of Financial Statements

The Company's Financial Statements were authorised for issue by the Board of Directors on the 3<sup>rd</sup> May 2017.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF U.S. BANK TRUSTEES LIMITED**

We have audited the financial statements of U.S. Bank Trustees Limited ('the Company') for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 16. 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 and 4, the directors 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' 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.

*Continued /...*



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF U.S. BANK TRUSTEES LIMITED (Continued)

### Opinion on financial statements

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its 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.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ▶ the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- ▶ the Directors' Report has been prepared in accordance with applicable legal requirements;

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

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 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
- ▶ certain disclosures of directors' remuneration specified by law are not made; or
- ▶ we have not received all the information and explanations we require for our audit.

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Dargan FitzGerald (Senior statutory auditor)  
For and on behalf of Ernst & Young, Statutory Auditor  
Dublin

Date: 3<sup>rd</sup> May 2017