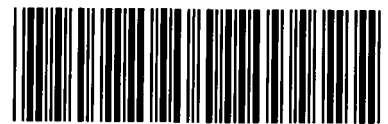


Moore Europe Capital Management, LLP

Report and financial statements

For the year ended 31 December 2017

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COMPANIES HOUSE

Managing Member

MECM, Limited

Designated Members

Moore Europe Capital Development, Limited
Louis Bacon

Secretary

Hackwood Secretaries Ltd

Auditors

Ernst & Young LLP
25 Churchill Place
London E14 5EY

Bankers

Barclays Bank PLC
54 Lombard Street
London
EC3P 3AH

Registered Office

One Silk Street
London
EC2Y 8HQ

Registered No. OC322533

Members' report

The Members present their report and financial statements of Moore Europe Capital Management, LLP, a limited liability partnership, for the year ended 31 December 2017.

Results

As shown in the LLP's statement of comprehensive income on page 7, the LLP's turnover for 2017 was £61.8m (2016: £94.7m). Revenue fell in the year mainly as a result of a change in the methodology of its calculation. From 2017 onwards, revenue is calculated as a variable percentage of the management and incentive fees earned by Moore Capital Management, LP, which is a subsidiary of Moore Capital Holdings, LLC, the ultimate controlling party (see note 9). In the prior year, turnover was derived on a cost-plus basis, where costs include distributions made to non-corporate partners, plus the tax charge of MECM, Ltd, which is the Managing Member. The LLP's loss for the year was £9.7m (2016: profit £42.2m).

The statement of financial position on page 10 shows that the LLP's net assets have increased from the prior year to £33.8m (2016: £27.5m).

Principal Activities

The principal activity of Moore Europe Capital Management, LLP is the provision of investment management services. The LLP is authorised and regulated by the Financial Conduct Authority.

Future developments

The Members do not anticipate any significant change in the business of the LLP for the foreseeable future.

Policy for Members' drawings, subscriptions and repayment of Members' capital

Policies for Members' drawings, subscriptions and repayment of Members' capital are governed by the Limited Liability Partnership Agreement dated 1st May 2014. In accordance with the Partnership Agreement, each Member of the Partnership is required to make a capital contribution to the Partnership. Capital is repayable to the Members on ceasing to be a Member of the Partnership (or on winding up).

Members are entitled to drawings from the Partnership at the discretion of the Members in anticipation of the allocation of future profits. If drawings are made in excess of allocated profits, the overdrawn balance shall be treated as an interest free loan from the Partnership.

Members' profit allocation

Any profits are shared among the Members in accordance with the Limited Liability Partnership Agreement dated 1st May 2014.

Going Concern

The financial position of the LLP and its liquidity are reflected in the statement of financial position.

The LLP is expected to continue to generate positive cash flows from the revenue earned from Moore Capital Management, LP.

The members, having assessed the responses of the directors of Moore Capital Holdings, LLC to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Moore Capital Holdings, LLC and its subsidiaries to continue as a going concern and to meet their expectations under the agreement with the LLP. Thus the Members have adopted the going concern basis of accounting in preparing the annual financial statements.

Registered No. OC322533

Members' report

Members

The following were Members during the period:

MECM, Limited (Managing Member)
Moore Europe Capital Development, Limited (Designated Member)
Louis Bacon (Designated Member)
Maurizio Alfano (Designated Member resigned 31 December 2017)
David Barker (Designated Member resigned 4 August 2017)
Famida Daniels (Designated Member resigned 30 June 2017)
Hassim Dhoda (Designated Member resigned 31 December 2017)
Garth Gascoigne (Designated Member resigned 31 December 2017)
Joeri Jacobs (Designated Member resigned 31 December 2017)
Jacqueline Knific (Designated Member resigned 1 March 2017)
Patrick Lynch (Designated Member resigned 1 April 2017)
Dan Manor (Designated Member resigned 1 April 2017)
Lev Mikheev (Designated Member resigned 14 April 2017)
Angelie Moledina (Designated Member resigned 31 December 2017)
Stefano Nannizzi (Designated Member resigned 1 April 2017)
Stergios Pantostis (Designated Member resigned 31 December 2017)
Roshan Patel (Designated Member resigned 1 November 2017)
Chiara Chabanne (Designated Member resigned 1 April 2017)
Luis Valderrama (Designated Member resigned 31 December 2017)
Ellen Van der Gulik (Designated Member resigned 1 March 2017)
Pangiotis Vlachopoulos (Designated Member resigned 14 July 2017)

Thirteen of the Members who resigned subsequently became employees of MECM, Ltd.

Disclosure of information to the auditors

So far as the Members are aware, there is no relevant audit information of which the LLP's auditors are unaware. The Members have taken all steps that they ought to have taken as Members in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of this information.

Reappointment of auditors

Ernst & Young LLP will be proposed for reappointment by the Members.

On behalf of the Members



SCOTT DINNELL

On behalf of MECM, Ltd, Managing Member

Date: 24 APRIL 2018

Statement of Members' responsibilities

The Designated Members are responsible for preparing the Members' report and the financial statements in accordance with applicable law and regulations.

Legislation applicable to limited liability partnerships (Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the Designated Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' and applicable law. Under this legislation the Designated 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 year. In preparing those financial statements, the Designated Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The Designated Members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOORE EUROPE CAPITAL MANAGEMENT LLP ('LLP')

Opinion

We have audited the financial statements of Moore Europe Capital Management LLP ('the LLP') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, Reconciliation of Members' Interests and the related notes 1 to 9. 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), including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland.

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2017 and of its loss for the year then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by The Limited Liability Partnerships. Our audit work has been undertaken so that we might state to the 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the limited liability partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditors' report

to the Members of Moore Europe Capital Management, LLP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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

Responsibilities of members

As explained more fully in the Members' Responsibilities Statement set out on page 4, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



James Beszant (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

Date 25 APRIL 2018

Statement of comprehensive income

for the year ended 31 December 2017

	<i>Notes</i>	<i>2017</i> £	<i>2016</i> £
Turnover	2	61,816,329	94,673,064
Administrative expenses		(71,553,925)	(50,798,998)
<i>Operating (loss)/profit</i>	3	(9,737,596)	43,874,066
Interest receivable and similar income	4	16,535	79,627
Finance cost	5	(15,483)	(6,477)
<i>(Loss)/Profit for the financial year before Members' remuneration and profit shares</i>		(9,736,544)	43,947,216
Members' remuneration charged as an expense		–	(1,715,594)
<i>(Loss)/Profit for the financial year available for discretionary division among Members</i>		(9,736,544)	42,231,622

During the year the LLP incurred no other comprehensive income and, accordingly, the loss for the financial year is equivalent to the total comprehensive loss for the year.

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 11 to 14 form an integral part of these financial statements.

Reconciliation of Members' interests

for the year ended 31 December 2017

	Members' capital	Other reserves	Total Member's capital interests	Loans and other debts due to Members	Member's total interests
	£	£	£	£	£
At 1 January 2017	22,000,000	-	22,000,000	5,534,921	27,534,921
Capital treated as a liability introduced	-	-	-	925,000	925,000
Members' capital introduced	70,000,000	-	70,000,000	-	70,000,000
Total comprehensive loss for the year	-	(9,736,544)	(9,736,544)	-	(9,736,544)
Members' interests after loss for the year	92,000,000	(9,736,544)	82,263,456	6,459,921	88,723,377
Expenses reimbursable to Members	-	-	-	70,722,579	70,722,579
Drawing and distributions	-	-	-	(125,601,487)	(125,601,487)
Amounts due to Members	-	-	-	1,207,405	-
Amounts due from Members	-	-	-	(49,626,392)	-
At 31 December 2017	92,000,000	(9,736,544)	82,263,456	(48,418,987)	33,844,469

Amounts due to Members are not subordinated. Capital treated as a liability is repayable to partners when they resign from the partnership.

The notes on pages 11 to 14 form an integral part of these financial statements.

Reconciliation of Members' interests

for the year ended 31 December 2016

	Members' capital	Other reserves	Total Member's capital interests	Loans and other debts due to Members	Member's total interests
	£	£	£	£	£
At 1 January 2016	22,000,000	-	22,000,000	4,291,499	26,291,499
Capital treated as a liability introduced	-	-	-	50,000	50,000
Members' remuneration charged as expense	-	-	-	1,715,594	1,715,594
Profit and total comprehensive income for the year	-	42,231,622	42,231,622	-	42,231,622
Members' interests after profit for the period	22,000,000	42,231,622	64,231,622	6,057,093	70,288,715
Expenses reimbursable to Members	-	-	-	51,167,180	51,167,180
Allocated profits	-	(42,231,622)	(42,231,622)	42,231,622	-
Drawing and distributions	-	-	-	(93,920,974)	(93,920,974)
Amounts due to Members	-	-	-	5,535,409	-
Amounts due from Members	-	-	-	(488)	-
At 31 December 2016	22,000,000	-	22,000,000	5,534,921	27,534,921

Amounts due to Members are not subordinated. Capital treated as a liability is repayable to partners when they resign from the partnership.

The notes on pages 11 to 14 form an integral part of these financial statements.

Statement of financial position

as at 31 December 2017

	<i>Notes</i>	<i>2017</i> £	<i>2016</i> £
Current assets			
Cash at bank		33,844,469	35,683,798
		<u>33,844,469</u>	<u>35,683,798</u>
Creditors: amounts falling due within one year	7	–	(8,148,877)
		<u>–</u>	<u>(8,148,877)</u>
Net current assets		33,844,469	27,534,921
		<u>33,844,469</u>	<u>27,534,921</u>
Net assets attributable to Members		<u>33,844,469</u>	<u>27,534,921</u>
		<u><u>33,844,469</u></u>	<u><u>27,534,921</u></u>
Represented by:			
Loans and other debts due to Members within one year			
Members' capital classified as a liability under FRS 102 section 22		1,185,000	260,000
Other reserves		(9,736,544)	–
Loans and other debts due to/(from) Members		(49,603,987)	5,274,921
Members' capital interests		92,000,000	22,000,000
		<u>92,000,000</u>	<u>22,000,000</u>
Total Members' interests		33,844,469	27,534,921
		<u><u>33,844,469</u></u>	<u><u>27,534,921</u></u>

These financial statements were approved by the Members on 24 April 2018 and are signed on their behalf by:



SCOTT DINNELL

The notes on pages 11 to 14 form part of these financial statements.

Notes to the financial statements

as at 31 December 2017

1. Accounting policies

Statement of compliance

Moore Europe Capital Management, LLP is a limited liability partnership incorporated in England and Wales. The registered office of the LLP is 1 Silk St, London, EC2Y 8HQ.

The LLP's financial statements have been prepared in accordance with FRS 102 and in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with applicable UK accounting standards and the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' date January 2017 (applicable for accounting periods commencing on or after 1 January 2016).

Statement of cash flows

The LLP, as a qualifying entity, has taken advantage of the exemption in section 7 of FRS 102 from the requirement to prepare a statement of cash flows. The statement of cash flows that includes the LLP can be found in the financial statements of MECM, Ltd, which are publicly available.

Revenue recognition

Revenue is recognised on an accruals basis net of VAT. It is recognised for services provided and calculated as a percentage of Moore Capital Management, LP's revenue.

Expenses

Expenses have been recognised on an accrual basis within the statement of comprehensive income.

Interest

Interest is accounted for on the accruals basis.

Foreign currencies

The functional and presentational currency of the LLP is pound sterling (GBP).

Transactions in foreign currencies are recorded at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at the year end. All currency differences are taken to the statement of comprehensive income.

Taxation

No provision has been made for taxation in the financial statements. Each Member is exclusively liable for any tax liabilities arising out of their interest in the LLP, which will be assessed on the individual Members.

Members' capital and profit allocation

Capital contributed by the Managing Member is recognised as Members' capital. Capital contributed by other Members is recognised as a liability in the financial statements of the Partnership on the basis that, in accordance with the Partnership Agreement, capital is repayable to Members when they leave.

The LLP has no fixed obligation to allocate profits to Members. All remuneration is allocated on a discretionary basis. Accordingly, Members' remuneration is shown as a deduction from Members' interests. Any cash drawings withdrawn from the LLP by Members in advance of a discretionary profit allocation are recognised as a loan due from Members. Where profit allocations exceed drawings made by Members, this is represented as a loan amount due to Members of the LLP.

Notes to the financial statements

as at 31 December 2017

1. Accounting policies (continued)

Reserves

Members' capital represents those amounts introduced by the Members of the LLP to be used in business operations. All amounts credited to each Member's capital account shall be immediately and fully available to the LLP for unrestricted use to cover risks and losses as and when they may occur. Future capital contributions and withdrawals are permitted as outlined by the partnership agreement.

Other reserves represent the unallocated profits or losses from operations of the year.

2. Turnover

Turnover arises from services performed in the United Kingdom and is attributable to advisory fees from Moore Capital Management, LP, incorporated in the US (see note 9), exclusive of Value Added Tax.

Turnover is calculated based on the methodology stated in the Services Agreement between the LLP and Moore Capital Management, LP dated 30 June 2017.

3. Operating Profit/loss

Auditors' remuneration for the year of £15,000 (2016 - £15,000), has been paid by MECM, Ltd.

4. Interest receivable and similar income

	<i>Year to 31-Dec 2017 £</i>	<i>Year to 31-Dec 2016 £</i>
Bank interest received	16,535	79,627
	<u> </u>	<u> </u>

5. Finance costs

	<i>Year to 31-Dec 2017 £</i>	<i>Year to 31-Dec 2016 £</i>
Interest payable on intercompany balances	15,483	6,477
	<u> </u>	<u> </u>

Notes to the financial statements

as at 31 December 2017

6. Members' remuneration

	<i>Year to 31-Dec 2017 £</i>	<i>Year to 31-Dec 2016 £</i>
(Loss)/profit for the financial year available for discretionary division among Members	(9,736,544)	42,231,622
Amount allocated in relation to the Member with the largest entitlement to profit	-	14,107,468
	<i>Year to 31-Dec 2017 No</i>	<i>Year to 31-Dec 2016 No</i>
The average monthly number of Members in the year was	14	25

7. Creditors: amounts falling due within one year

	<i>2017 £</i>	<i>2016 £</i>
Amounts owed to related parties	-	8,148,877

Amounts owed to related parties are unsecured and repayable on demand. Interest is charged at an annual rate of LIBOR plus 1.5%.

Notes to the financial statements

as at 31 December 2017

8. Related party transactions

During the year the LLP received income of £61,816,329 (2016: £94,673,064) from Moore Capital Management, LP, which is a subsidiary of Moore Capital Holdings, LLC, the ultimate controlling party (see note 9). The LLP paid interest to Moore Capital Management, LP of £15,483 (2016: £6,477).

At 31 December 2017 nothing was payable to Moore Capital Management, LP (2016: £8,148,877).

During the year the LLP reimbursed expenses of the Managing Member of £70,722,579 (2016: £51,167,180).

	<i>31-Dec</i>	<i>31-Dec</i>
	<i>2017</i>	<i>2016</i>
	<i>£</i>	<i>£</i>
Amounts due to other Members in respect of undrawn profit allocations	22,405	5,275,409
	<u> </u>	<u> </u>

9. Ultimate parent undertaking and controlling party

The LLP is controlled by its Managing Member, MECM, Limited, which is ultimately controlled by Moore Capital Holdings, LLC, a company incorporated in the US. Financial statements for MECM, Ltd are available from Companies House, Crown Way, Cardiff, CF14 3UZ.