

**Amias Berman & Co LLP**

**Members' report and financial  
statements**

for the period ended 31 December 2013

Registered number: OC346099

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## **Members' report**

for the period ended 31 December 2013

The members present their report together with the audited financial statements of Amias Berman & Co LLP ('the LLP') for the 9 month period ended 31 December 2013.

### **Principal activities**

The LLP was incorporated on 2 June 2009 as a limited liability partnership domiciled in the United Kingdom. The principal activity of the LLP for the period ended 31 March 2013 was fixed income brokerage and advisory services, and the LLP is regulated by the Financial Conduct Authority ('the FCA') in the United Kingdom, registration number OC346099.

### **Review of business and future developments**

Since inception in June 2009 and after receiving FSA (the predecessor of the FCA) approval in October 2009, the LLP has been building a high quality client base to provide a firm basis for the future growth of its business.

The results for the period ended 31 December 2013 and financial position of the LLP are as shown in the annexed financial statements.

Prior to 12 September 2013, the LLP was a member of the Amias Berman group of companies ('the Amias Berman Group') which consisted of Amias Berman Holdings Pte Ltd, the LLP's previous ultimate parent company incorporated in Singapore, and that company's subsidiary undertakings. On 12 September 2013, Seaport Financial Europe Limited ('Seaport') acquired the LLP after discussions with potential business partners. Seaport became the managing member of the LLP via a Corporate Member Agreement replacing Amias Berman (UK) Limited in that role. This acquisition added significant value to both businesses, enabling the combined firm to service a significantly expanded client base with a wider product.

### **Key performance indications**

The business forecasts revenues and costs out to end-March 2017. The forecast highlights numbers monthly through March 2015 and annually beyond that date. These figures will be used as the key indicators of the business' ongoing performance.

### **Principal risks and uncertainties**

The principal risks to which the business is exposed are summarised below:

**Foreign exchange risk** – arising from administrative and other expenses and remittance of funds in currencies other than the LLP's functional currency (GBP), principally Euros. It is not the Seaport Group's policy to hedge such foreign exchange exposures, therefore, the LLP remains exposed to these transactional exposures but only for a short period of time – that between the execution of a foreign currency trade and its settlement.

**Interest rate risk** – arising from cash and cash equivalents where changes in market rates can have an adverse impact on cash flows and income streams. Interest rate risk was (is now) monitored at Amias Berman Group (Seaport Group) level. Limits are in place to restrict the amount that can be invested at one institution and all investments must be credit rated AA or above and be for less than 18 months.

**Credit risk** – the potential that a counterparty is unable or unlikely to perform on an obligation resulting in a loss for the LLP. This risk is limited given the matched principal nature of the business and the use of Pershing Securities Limited as the Model B clearer.

**Liquidity risk** – the cash position of the LLP is managed on a weekly basis.

**Principal uncertainties** to which the business is exposed are around the success of the second generation of its trading platform. The acquisition by Seaport is an essential step in mitigating these uncertainties, ensuring the long term success of the businesses.

**Members' report (continued)**

for the period ended 31 December 2013

**Designated Members**

The designated members of the LLP, who held office during the period, were:

Jay Conklin (appointed 12 September 2013)  
Seaport Financial Europe Limited (appointed 12 September 2013)  
David Smith (resigned 12 September 2013)  
Amias Berman (UK) Limited (resigned 12 September 2013)

**Policy regarding members' distributions and subscriptions and repayments of members' capital**

The overall policy of the LLP regarding members' distributions and the policy regarding subscription and repayment of members' capital is set out in the *Limited Liability Partnership Deed* dated 1 October 2009.

**Members' responsibilities statement**

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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. 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.

This report was approved by the members on 2 September 2014 and signed on their behalf by:

  
L.J. Conklin  
Designated member

## **Independent auditor's report to the members of Amias Berman & Co LLP** for the period ended 31 December 2013

We have audited the financial statements of Amias Berman & Co LLP for the period ended 31 December 2013, set out on pages 5 to 11. 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 31 December 2013 and of its loss for the period 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.

## Independent auditor's report to the members of Amias Berman & Co LLP for the period ended 31 December 2013

### 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.



Peter Chapman (Senior statutory auditor)  
for and on behalf of  
**Buzzacott LLP**  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

2 September 2014

**Profit and loss account**

for the period ended 31 December 2013

	Note	9 month period ended 31 December 2013 £	Year ended ended 31 March 2013 £
Turnover	1,2	306,149	546,679
Cost of sales		(70,341)	(104,009)
<b>Gross profit</b>		<b>235,808</b>	<b>442,670</b>
Administrative expenses		(85,816)	(183,742)
<b>Profit for the financial period before members' remuneration and profit shares</b>		<b>149,992</b>	<b>258,928</b>
<b>Profit for the financial period before members' remuneration and profit shares</b>		<b>149,992</b>	<b>258,928</b>
Members' remuneration charged as an expense		(542,000)	-
<b>(Loss)/profit for the financial period available for discretionary division among members</b>		<b>(392,008)</b>	<b>258,928</b>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2013 other than those included in the profit and loss account.

The notes on pages 7 to 11 form part of these financial statements.

**Balance sheet**

as at 31 December 2013

	Note	31 December 2013 £	31 March 2013 £
<b>Current assets</b>			
Debtors	7	633,128	474,464
Cash at bank and in hand		2,270	65,789
		<u>635,398</u>	<u>540,253</u>
<b>Creditors: amounts falling due within one year</b>	8	<b>(470,398)</b>	<b>(113,803)</b>
<b>Net current assets</b>		<b>165,000</b>	<b>426,450</b>
<b>Net assets attributable to members</b>		<b>165,000</b>	<b>426,450</b>
<b>Represented by:</b>			
<b>Members' other interests</b>			
Members' capital classified as equity		165,000	7,631,533
Other reserves classified as equity		-	(7,205,083)
		<u>165,000</u>	<u>426,450</u>
<b>Total members' interests</b>			
Amounts due from members (included in debtors)		(180,558)	-
Members' other interests		165,000	426,450
		<u>(15,558)</u>	<u>426,450</u>
	9	<b>(15,558)</b>	<b>426,450</b>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 2 September 2014.

  
**L.J. Conklin**  
 Designated member

The notes on pages 7 to 11 form part of these financial statements.



## Notes to the financial statements

for the period ended 31 December 2013

### 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 United Kingdom accounting standards and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in March 2010.

Since the acquisition of the LLP by Seaport on 12 September 2013, the financial statements have been converted from International Financial Reporting Standards (IFRS) as adopted by the European Union to United Kingdom Generally Accepted Accounting Practice (UK GAAP).

The acquisition resulted in an adjustment to the profit and loss account. In the prior year, allocations to member of £393,011 were included as administrative expenses in the profit and loss account in compliance with IFRS.

In accordance with UK GAAP, these allocations have been presented as drawings.

The transition from reporting under IFRS in the year ended 31 March 2013 to UK GAAP in the period ended 31 December 2013 did not result in any other changes to the accounting treatment or measurement of any of the 31 March 2013 balances.

#### 1.2 Going concern

Since operating out of the Seaport office from September 2012, the administrative expenditure of the LLP has reduced significantly. On 12 September 2013, Seaport became the managing member of the LLP via a Corporate Member Agreement replacing Amias Berman (UK) Limited in that role. Confirmation has been received from Seaport of the company's current intention to support the LLP as a going concern for a period of not less than twelve months from the date of approval of these financial statements. The members believe the support available from Seaport will help to ensure the LLP's long term success and therefore believe it is appropriate to prepare the financial statements on a going concern basis.

#### 1.3 Cash flow statement

The LLP, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to prepare a cash flow statement in accordance with FRS 1 '*Cash flow statements*'.

#### 1.4 Turnover

Revenue comprises commission from the brokerage of matched principal transactions and advisory services.

##### Matched Principal

To represent the substance of matched principal services provided by the LLP, where it acts as principal for the simultaneous purchase and sale of securities to third parties, commission income represents the differential between the consideration received on the sale of the security and its purchase price. All positions are given up by the LLP to Pershing Securities Limited, a clearing house. Revenue is recognised on trade date.

#### 1.5 Taxation

The taxation payable on the partnership profits is the personal liability of the members and consequently neither taxation nor deferred taxation are accounted for in the financial statements. Amounts retained for tax are treated in the same way as other profits of the partnership and are included in "Members interests" or in "Loans and other debts due to members" depending on whether or not division of profits has occurred.

**Notes to the financial statements**  
for the period ended 31 December 2013

**1. Accounting policies (continued)**

**1.6 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.

**2. Turnover**

The whole of the turnover is attributable to the LLP's principal activity.

All turnover arose from activities performed within the United Kingdom.

**3. Operating loss**

The operating loss is stated after (crediting)/charging:

	9 month period ended 31 December 2013 £	Year ended 31 March 2013 £
Difference on foreign exchange	(1,485)	734

**4. Auditor's remuneration**

	9 month period ended 31 December 2013 £	Year ended 31 March 2013 £
Fees payable to the LLP's auditor for the audit of the LLP's annual accounts	7,500	10,000
Fees payable to the LLP's auditor and its associates in respect of:		
Audit-related assurance services	1,000	1,000
Taxation compliance services	1,820	1,820
All other non-audit services not included above	7,530	5,500

**5. Staff costs and average number of employees**

During the 9 month period ended 31 December 2013, the LLP had no employees (year ended 31 March 2013: no employees).

**Notes to the financial statements**  
for the period ended 31 December 2013

**6. Information in relation to members**

	9 month period ended 31 December 2013 Number	Year ended 31 March 2013 Number
The average number of members during the period/year was	4	6

**7. Debtors**

	31 December 2013 £	31 March 2013 £
Trade debtors	8,251	50,841
Other debtors	405,880	423,000
Prepayments and accrued income	38,439	623
Amounts due from members	180,558	-
	<u>633,128</u>	<u>474,464</u>

**8. Creditors:  
Amounts falling due within one year**

	31 December 2013 £	31 March 2013 £
Trade creditors	21,773	7,803
Amounts owed to group undertakings	37,500	37,500
Other creditors	110	-
Accruals and deferred income	411,015	68,500
	<u>470,398</u>	<u>113,803</u>

## Notes to the financial statements

for the period ended 31 December 2013

### 9. 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 December 2013 £	Total March 2013 £
Amounts due to members b/fwd				-		
Amounts due from members b/fwd				-		
Members' interests: balance at 1 April 2013	7,631,533	(7,205,083)	426,450	-	426,450	560,533
Members' remuneration charged as an expense	-	-	-	542,000	542,000	-
Loss for the period available for discretionary division among members	-	(392,008)	(392,008)	-	(392,008)	258,928
Members' interests after loss for the period	7,631,533	(7,597,091)	34,442	542,000	576,442	819,461
Allocated loss for period	-	7,597,091	7,597,091	(7,597,091)	-	-
Movement in reserves	-	-	-	-	-	(393,011)
Amounts withdrawn by members	-	-	-	(150,000)	(150,000)	-
Other movements	-	-	-	(592,000)	(592,000)	-
Capital amounts introduced by members	150,000	-	150,000	-	150,000	-
Capital repaid to members	(7,616,533)	-	(7,616,533)	7,616,533	-	-
Members' interests at 31 December 2013	<u>165,000</u>	<u>-</u>	<u>165,000</u>	<u>(180,558)</u>	<u>(15,558)</u>	<u>426,450</u>
Amounts due to members				-		
Amounts due from members				(180,558)		
				<u>(180,558)</u>		

### 10. Contingent liabilities

There were no contingent liabilities at 31 December 2013 or 31 March 2013.

**Notes to the financial statements**

for the period ended 31 December 2013

**11. Capital commitments**

The LLP had no capital commitments at 31 December 2013 or 31 March 2013.

**12. Related party transactions**

During the 9 month period ended 31 December 2013, Seaport Financial Europe Limited settled certain operating expenses totalling £18,872 (year ended 31 March 2013: £nil) on behalf of the LLP and the LLP repaid working capital loans. During the year, £405,008 (31 March 2013: £nil) of loss was allocated to Seaport Financial Europe Limited.

At 31 December 2013, £188,558 (31 March 2013: £nil) was due from Seaport Financial Europe Limited.

Seaport Financial Europe Limited is a related party by virtue of being the corporate member of the LLP.

During the 9 month period ended 31 December 2013, The Seaport Group Europe LLP settled expenses totalling £37,498 (year ended 31 March 2013: £Nil) on behalf of the LLP and the LLP charged The Seaport Group Europe LLP £56,750 (year ended 31 March 2013: £Nil) in respect of turnover invoiced via The Seaport Group Europe LLP.

At 31 December 2013, the amount due to The Seaport Group Europe LLP in relation to settlement of these expenses was written off and at the year end £37,500 was due to The Seaport Group Europe LLP (year ended 31 March 2013: £37,500).

The Seaport Group Europe LLP is a related party by virtue of being under common control.

During the 9 month period ended 31 December 2013, LLP charged Sea Port Group Securities LLC £27,610 (year ended 31 March 2013: £Nil) in respect of turnover invoiced via Sea Port Group Securities LLC.

Sea Port Group Securities LLC is a related party by virtue of being under common control.

Transactions with designated members are disclosed in note 9 above.

There are no other related party transactions disclosable under FRS 8 'Related party disclosures'.

**13. Ultimate parent undertaking and controlling party**

The LLP's immediate parent undertaking is Seaport Financial Europe Limited, a company registered in England and Wales.

The LLP's ultimate parent undertaking and ultimate controlling party is The Seaport Group LLC, an entity incorporated in the United States of America.

The smallest group of undertakings for which group accounts have been drawn up which include the LLP is headed by Seaport Financial Europe Limited. Copies of the group financial statements for Seaport Financial Europe Limited are available from the Registrar Companies House, Crown Way, Cardiff, CF4 3UZ.

The largest group of undertakings for which group accounts have been drawn up is headed by The Seaport Group LLC.