

**CATALYST CAPITAL LLP
REPORT OF THE MEMBERS AND
FINANCIAL STATEMENTS
31 DECEMBER 2015**



**CATALYST CAPITAL LLP
REPORT OF THE MEMBERS
YEAR ENDED 31 DECEMBER 2015**

The members present their report and the financial statements for the year ended 31 December 2015.

PRINCIPAL ACTIVITY

The principal activity of the LLP in the year under review was that of property asset management.

DESIGNATED MEMBERS

The designated members who served during the year were as follows:

C Christofi
J R S Newiss
M J M Petit
G I S Wilson

MEMBERS' REMUNERATION

Members are remunerated solely out of the profits of the LLP and are required to make their own provision for pensions. Unallocated profits and losses are included within other reserves.

MEMBERS' CAPITAL

The capital requirements, which all the members are required to subscribe to, are determined by the designated members. On retirement a member's capital is repaid at the value contributed.

Details of changes in members' capital in the year are detailed in the reconciliation of movement in members' interests.

MEMBERS DRAWINGS AND ALLOCATION OF PROFIT

During the year the designated members set the level of interim profit allocations and members' monthly drawings after considering the working capital needs of the LLP. To the extent that interim profit allocations exceed drawings, then the excess profit is included in the balance sheet under loans and other debts due to members. Should drawings exceed the allocated profits, then the excess is included in debtors. The same treatment is used for members who retire during the year.

The final allocation of profits and distribution to members is made after assessing each member's contribution for the year and after the financial statements are approved. Unallocated profits are included in other reserves within members' other interests.

Approved by the members of the LLP on 9 December 2016 and signed on their behalf by:


M J M PETIT
Designated Member

CATALYST CAPITAL LLP

STATEMENT OF MEMBERS' RESPONSIBILITIES

The members are responsible for preparing the financial statements in accordance with applicable law and applicable accounting standards.

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 FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, as applied to small entities ("FRS102 1A"), and applicable law. The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of its profit for that year.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business; and
- state that FRS 102 1A has been followed, subject to any material departures disclosed and explained in the financial statements.

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, as applied to LLPs. 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 CATALYST CAPITAL LLP

We have audited the financial statements of Catalyst Capital LLP ("the LLP") for the year ended 31 December 2015, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Reconciliation of Movement in Members' Interests and the related notes numbered 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, as applied to small entities.

This report is made solely to the LLP's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships. 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 as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of members and auditor

As explained more fully in the Statement of Members' Responsibilities, 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.

Opinion on financial statements

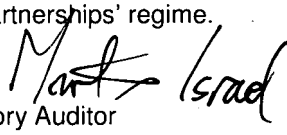
In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 December 2015 and of the profit for the year then ended;
- have been properly prepared in accordance with FRS 102 as applied to small entities; and
- have been prepared in accordance with the Companies Act 2006, as applied to LLPs.

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 LLPs, requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent LLP; 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.
- the members were not entitled to prepare financial statements in accordance with the small limited liability partnerships' regime.

Martin Israel. 
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
London

12 December 2016

CATALYST CAPITAL LLP
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
TURNOVER	2.3	6,436,129	5,976,025
Administrative expenses		<u>(5,704,609)</u>	<u>(5,296,316)</u>
OPERATING PROFIT	4	731,520	679,709
Amounts written off investments	7	<u>(51)</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE TAXATION		731,469	679,709
Tax on profit on ordinary activities	2.10	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		<u>731,469</u>	<u>679,709</u>

No other comprehensive income arose during the current year or previous year.

The related notes 1 to 14 form part of these financial statements.

CATALYST CAPITAL LLP
STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2015

REGISTERED NUMBER: OC300021

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	6	16,190	32,634
Investments	7	<u>256,415</u>	<u>253,865</u>
		272,605	286,499
CURRENT ASSETS			
Debtors	8	4,317,641	3,680,368
Cash at bank and in hand	9	<u>837,005</u>	<u>1,875,174</u>
		5,154,646	5,555,542
CREDITORS: Amounts falling due within one year	9	<u>(4,992,513)</u>	<u>(5,407,303)</u>
NET CURRENT ASSETS		162,133	148,239
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>434,738</u>	<u>434,738</u>
REPRESENTED BY:			
Members' capital		1,000	1,000
Other reserves		<u>433,738</u>	<u>433,738</u>
		434,738	434,738
TOTAL MEMBERS' INTERESTS			
Loans and other debts due from members		(1,598,132)	(1,315,243)
Other reserves		<u>434,738</u>	<u>434,738</u>
		<u>(1,163,394)</u>	<u>(880,505)</u>

The financial statements were approved and authorised for issue by the members on 9 December 2016 and were signed on their behalf by:


M J M PETIT
Designated member

The related notes 1 to 14 form part of these financial statements.

CATALYST CAPITAL LLP
RECONCILIATION OF MOVEMENT IN MEMBERS' INTERESTS
YEAR ENDED 31 DECEMBER 2015

	Members' capital £	Other Interests Other reserves £	Total £	Loans & other debts due to/(from) members £	Total £
1 January 2014	1,520	433,738	435,258	(777,573)	(342,315)
Profit for the financial year available for division among members	-	679,709	679,709	-	679,709
Members interest after profit for the year	1,520	1,113,447	1,114,967	(777,573)	337,394
Allocated profits	-	(679,709)	(679,709)	679,709	-
Repayment of capital	(520)	-	(520)	-	(520)
Drawings	-	-	-	(1,217,379)	(1,217,379)
1 January 2015	1,000	433,738	434,738	(1,315,243)	(880,505)
Profit for the financial year available for division among members	-	731,469	731,469	-	731,469
Members interest after profit for the year	1,000	1,165,207	1,166,207	(1,315,243)	(149,036)
Allocated profits	-	(731,469)	(731,469)	731,469	-
Drawings	-	-	-	(1,014,358)	(1,014,358)
31 December 2015	1,000	433,738	434,738	(1,598,132)	(1,163,394)

The related notes 1 to 14 form part of these financial statements.

CATALYST CAPITAL LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

1. LLP INFORMATION

The LLP is a limited liability partnership and its principal activity during the year was that of property asset management. The LLP's principal place of business and its registered office are located at 33 Cavendish Square, London W1G 0PW, England, United Kingdom.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, as applied to small entities ("FRS102 1A") and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships", published in July 2014.

The policies applied under the previous accounting framework are not materially different to FRS 102 1A and no restatement to previously reported amounts is considered necessary following the adoption of FRS 102 1A.

The LLP has, however, reassessed its presentation of certain debtor and creditor balances and, as a result, has reclassified those balances within various debtor and creditor categories within the statement of financial position. The reclassifications made have no impact on the profit for the financial year or the reported net assets of the LLP.

The LLP is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group financial statements. These financial statements therefore present information about the LLP as an individual undertaking only and not about its group.

The following principal accounting policies have been applied:

2.2 Going Concern

The members consider the going concern basis to be appropriate having paid due regard to the LLP's projected results during the twelve months from the date the financial statements are approved and the anticipated cash flows, availability of bank facilities and mitigating actions that can be taken during that period.

2.3 Turnover and Income Recognition

Turnover, which excludes VAT, represents income from acquisition and sales fees, commission income and asset management fees. Management fees and recurring asset management fees are recognised during the period to which they relate and the right to consideration is earned. Sales fees, commission income and asset management fees which are related to returns enjoyed by investors are regarded as contingent fee assignments (over and above any agreed minimum fee which is recognised as above) and such income is recognised in the period when the contingent event (usually a sale) occurs based upon the best estimate of the income arising.

A geographical analysis of the LLP's turnover and profits is not included within these financial statements on the basis that provision of such information would be seriously prejudicial to the interests of the LLP.

CATALYST CAPITAL LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES (Continued)

2.4 Tangible Fixed Assets and Depreciation

Depreciation is provided to write the cost of each tangible fixed asset, less estimated residual value, over its estimated useful life on a straight line basis. The annual rates applied vary between 20% and 33%.

2.5 Investments

Investments in fixed asset investments are stated at cost, less provision for any impairment in value.

2.6 Financial Instruments

Short term debtors are measured at transaction price, less any impairment.

Cash at bank and in hand is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Short term creditors are measured at the transaction price.

2.7 Operating Leases: the LLP as lessee

Rentals paid 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.

The company has taken advantage of the optional exemption available on transition to FRS 102 1A which allows lease incentives on leases entered into before the date of transition to the standard to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.8 Foreign currency transactions

The LLP's functional and presentational currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

CATALYST CAPITAL LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES (Continued)

2.9 Pensions

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid, the LLP has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the LLP in independently administered funds.

2.10 Taxation

Taxation on the LLP's profits is solely the personal responsibility of individual members. Consequently neither taxation nor related deferred taxation arising in respect of the LLP is accounted for within these financial statements.

CATALYST CAPITAL LLP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2015

3. JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements include estimation, where applicable, for items relating to the carrying value of investments and the impairment of debtors.

4. OPERATING PROFIT	2015	2014
	£	£
This is stated after charging:		
Auditors' remuneration	35,000	40,000
Depreciation	20,272	31,430

5. STAFF AND MEMBERS

Average number of employees:	No.	No.
Property investment and development	8	9
Administration	14	14
	22	23
Staff costs:	£	£
Wages and salaries	1,302,296	1,449,872
Social security costs	221,214	172,151
Other pension costs	92,727	60,971
	1,616,237	1,682,994

The average number of members during the year was 6 (2014: 6) and the average allocated profit per member for the year was £121,912 (2014: £113,285). The share of profits allocated to the highest paid member was £179,550 (2014: £193,768).

CATALYST CAPITAL LLP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2015

6. TANGIBLE FIXED ASSETS: FIXTURES AND FITTINGS

	£
Cost:	
1 January 2015	409,083
Disposals	(198,914)
Additions	<u>3,828</u>
31 December 2015	<u>213,997</u>
Depreciation:	
1 January 2015	376,449
Disposals	(198,914)
Charge for year	<u>20,272</u>
31 December 2015	<u>197,807</u>
Net Book Value:	
31 December 2015	<u>16,190</u>
<i>31 December 2014</i>	<i><u>32,634</u></i>

7. INVESTMENTS

	Subsidiary Undertakings £	Associated Undertakings £	Other £	Total £
Cost:				
1 January 2015	761,897	50	178,617	940,564
Additions	<u>51</u>	<u>37</u>	<u>2,513</u>	<u>2,601</u>
31 December 2015	<u>761,948</u>	<u>87</u>	<u>181,130</u>	<u>943,165</u>
Provision:				
1 January 2015	581,224	-	105,475	686,699
Charge for year	<u>51</u>	<u>-</u>	<u>-</u>	<u>51</u>
31 December 2015	<u>581,275</u>	<u>-</u>	<u>105,475</u>	<u>686,750</u>
Net Book Value:				
31 December 2015	<u>180,673</u>	<u>87</u>	<u>75,655</u>	<u>256,415</u>
<i>31 December 2014</i>	<i><u>180,673</u></i>	<i><u>50</u></i>	<i><u>73,142</u></i>	<i><u>253,865</u></i>

CATALYST CAPITAL LLP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2015

7. INVESTMENTS (CONTINUED)

Investment in Subsidiary Undertakings:

At 31 December 2015 the LLP had the following subsidiary undertakings:

	Country of Incorporation	Interest %	Principal Activity
Catalyst Capital GmbH	Germany	100	(i)
Catalyst Capital France SAS	France	100	(i)
Catalyst European Jersey GP Ltd	Jersey	100	(ii)
Catalyst Capital Management Limited	United Kingdom	100	(iii)
Foxbold Limited	United Kingdom	100	VAT agent
Catalyst Employment Services Limited	United Kingdom	100	Dormant
Catalyst EPF (S) GP Ltd	United Kingdom	100	(ii)
Catalyst EPF (Scots) GP Ltd	United Kingdom	100	(ii)
Catalyst EPF II (S) GP Ltd	United Kingdom	100	(iv)
Catalyst EPF II (Scots) GP Ltd	United Kingdom	100	(iv)

- (i) Perform asset management services similar to the LLP in their country of incorporation.
- (ii) Act as general partners to the Catalyst European Property Fund LP and its feeder funds.
- (iii) Full scope AIFM for investment funds.
- (iv) Act as general partners to the Catalyst European Property Fund II LP and its feeder funds.

Investment in Associated Undertakings:

At 31 December 2015 the LLP had the following associated undertakings:

	Country of Incorporation	Interest %	Principal Activity
Steamrock Catalyst Developments Limited	United Kingdom	50	(v)
CKC Ream Limited	Ireland	50	(vi)
CSIOF I Jersey GP Ltd	Jersey	50	(vii)
CSIOF Scottish Investor GP Ltd	United Kingdom	50	(vii)

- (v) Property investment
- (vi) Strategic property and investment advisory services
- (vii) Act as general partners to the Catalyst Samsara India Opportunity Fund 1 and its feeder funds.

CATALYST CAPITAL LLP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2015

8. DEBTORS

	2015 £	2014 £
Trade debtors	406,620	312,524
Amounts owed by subsidiary undertakings	209,885	298,019
Amounts owed by associated undertakings	212,200	149,544
Amounts owed by other related parties (see note 13.1)	124,875	127,073
Amounts due from members (see note 10)	1,598,132	1,315,243
Other debtors	714,809	987,954
Prepayments and accrued income	1,051,120	490,011
	<u>4,317,641</u>	<u>3,680,368</u>

9. CREDITORS:

Amounts falling due within one year

Trade creditors	415,866	430,620
Amounts owed to subsidiary undertakings	1,068,324	1,297,401
Other taxes and social security	51,687	94,542
Other creditors	728,650	1,316,222
Accruals and deferred income	2,727,986	2,268,518
	<u>4,992,513</u>	<u>5,407,303</u>

The LLP's bank facilities are secured by a fixed and floating charge over the LLP's assets. In addition an unlimited multilateral company guarantee exists between the LLP, Catalyst Development Services LLP ("CDS") and Catalyst Development Projects LLP ("CDP") to secure all liabilities of each other. CDS and CDP are entities with features as described in note 13.2.

Included within other creditors is £379,178 (2014: £752,128) in respect of amounts held on behalf of third parties. The total amount held at the end of the year is included within cash at bank and in hand.

10. MEMBERS' INTERESTS

In the event of a winding up, members' other reserves rank after unsecured creditors, whilst loans and other debts due to members rank parri passu with other unsecured creditors in such circumstances.

No members' remuneration has been charged as an expense within the profit and loss account other than £137,273 (2014: £159,620). At 31 December 2015 that member owed the LLP £85,559 (2014: £226,338) and the amount owed is included within other debtors.

CATALYST CAPITAL LLP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2015

11. CONTINGENT LIABILITIES

Support to Related Parties

The LLP has provided support to the following subsidiary undertakings to support the going concern assertion within those entities' financial statements for the periods detailed below:

Catalyst Capital Management Limited (to April 2017)
Foxbold Limited (to August 2017)

12. OPERATING LEASE COMMITMENTS

At 31 December 2015 the LLP had total future commitments under non-cancellable land and buildings operating leases payable as follows:

	2015 £	2014 £
Within one year	284,990	284,990
Between two and five years	<u>783,723</u>	<u>1,068,713</u>
	<u>1,068,713</u>	<u>1,353,703</u>

CATALYST CAPITAL LLP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2015

13. RELATED PARTY TRANSACTIONS

13.1 Amounts Owed by Other Related Parties

	2015 £	2014 £
Catalyst EPF Fund II LP	31,895	31,895
Catalyst Canterbury Limited	59,304	63,186
Catalyst Lothian Limited	<u>13,560</u>	<u>13,430</u>
	104,759	108,511
Other	<u>20,116</u>	<u>18,562</u>
	<u>124,875</u>	<u>127,073</u>

The other amounts recorded in the above table represents amounts owed by other related parties where the net amount owing was less than £10,000 at the end of the current year and previous year.

In addition to the above included within other creditors are the following balances:

- Catalyst Breakspear LLP £313,847 (2014: £266,669)
- Catalyst Development Projects £Nil (2014: £58,859)

All the above amounts have no fixed repayment date and attract no interest.

13.2. Transactions

The LLP undertakes transactions with a number of related companies and LLPs that are controlled by the LLP's members (see note 13.1 above). In essentially all of those transactions, the LLP initially incurs costs on behalf of those entities and recharges them at a later date expedient to both entities.

In addition, the majority of the LLP's turnover, trade debtors and other debtors consist of transactions with entities in which one or more of the LLP's members acts as a director in order to fulfil the LLP's property asset management function.

Under the provisions of FRS 102 1A, the LLP is exempt from disclosing its transactions with its subsidiary and associated undertakings.

13.3. J R S Securities Limited ("JRSSL")

During the year, the LLP was charged £177,303 (2014: £146,264) for services provided by JRSSL.

During the year, the LLP charged £Nil (2014: £1,349) for services provided to JRSSL.

J R S Newiss, a designated member, is a director and shareholder of JRSSL.

14. CONTROL

The LLP is controlled by its members. No one member has a controlling interest in the LLP.