Registered number: OC340921

ORCHARD GLOBAL ASSET MANAGEMENT LLP

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

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COMPANIES HOUSE

ORCHARD GLOBAL ASSET MANAGEMENT LLP

INFORMATION

Designated Members

Orchard Global Services Limited
P Horvath
A Weber
J Young (appointed 1 August 2017)

LLP registered number

OC340921

Registered office

Fifth Floor, 108 Cannon Street, London, EC4N 6EU

Independent auditors

Crowe U.K. LLP, St Bridge's House, 10 Salisbury Square, London, EC4Y 8EH

ORCHARD GLOBAL ASSET MANAGEMENT LLP

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ORCHARD GLOBAL ASSET MANAGEMENT LLP

MEMBERS' REPORT
FOR THE YEAR ENDED 31 JULY 2018

The members present their annual report together with the audited financial statements of Orchard Global Asset Management LLP (the "LLP") for the year ended 31 July 2018.

Principal activities

The principal object of Orchard Global Asset Management LLP is to provide investment management and advisory services.

Designated Members

Orchard Global Services Limited
Paul Horvath
Andrew Weber
John Young

Members' capital and interests

Each member's subscription of the capital of the LLP is determined by the Corporate Member. The Corporate Member may determine to return some or all of the amounts standing to the credit of a Member's Capital Account in its sole and absolute discretion.

Details of changes in members' capital in the year ended 31 July 2018 are set out in the Reconciliation of members' interests.

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

Members' responsibilities statement

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

Company law, (as applied 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 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 by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the 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.

Disclosure of information to auditors

Each of the persons who are members at the time when this Members' report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditors are unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

Auditors

The auditors, Crowe U.K. LLP, were appointed during the year in accordance with section 485 of the Companies Act 2006.

This report was approved by the members on 1 Nov 2018 and signed on their behalf by:

A Weber
Designated member

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORCHARD GLOBAL ASSET MANAGEMENT LLP

Opinion

We have audited the financial statements of Orchard Global Asset Management LLP (the 'LLP') for the year ended 31 July 2018, which comprise the Statement of comprehensive income, the Statement of financial position, the Reconciliation of members' interests and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 July 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

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 LLP'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.

Other information

The members are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORCHARD GLOBAL ASSET MANAGEMENT LLP (CONTINUED)

misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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; or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships regime.

Responsibilities of members

As explained more fully in the Members' responsibilities statement on page 1, 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 LLP'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 LLP or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORCHARD GLOBAL ASSET MANAGEMENT LLP (CONTINUED)

Use of our report

This report is made solely to the LLP's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Rhodri Whitlock (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

St Bridge's House
10 Salisbury Square
London
EC4Y 8EH
Date: 2 November 2018

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2018

	Note	2018 £	2017 £
Turnover	4	**14,271,262**	*8,302,073*
Gross profit		**14,271,262**	*8,302,073*
Administrative expenses		**(11,362,311)**	*(5,088,580)*
Operating profit	5	**2,908,951**	*3,213,493*
Interest payable and expenses		**(1,196)**	-
Profit before tax and after tax		**2,907,755**	*3,213,493*
Profit for the year before members' remuneration and profit shares		**2,907,755**	*3,213,493*
Profit for the year before members' remuneration and profit shares		**2,907,755**	*3,213,493*
Members' remuneration charged as an expense		**(2,090,642)**	*(2,480,894)*
Profit for the financial year available for discretionary division among members		**817,113**	*732,599*

There was no other comprehensive income for 2018(2017:£NIL).

The notes on pages 9 to 15 form part of these financial statements.

ORCHARD GLOBAL ASSET MANAGEMENT LLP
REGISTERED NUMBER: OC340921

STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2018

	Note		2018 £		2017 £
Fixed assets					
Tangible assets	8		414,919		86,760
			414,919		86,760
Current assets					
Debtors: amounts falling due within one year	9	1,904,431		1,014,009	
Cash at bank and in hand	10	2,008,222		443,027	
		3,912,653		1,457,036	
Creditors: Amounts Falling Due Within One Year	11	(412,860)		(291,197)	
Net current assets			3,499,793		1,165,839
Total assets less current liabilities			3,914,712		1,252,599
Net assets			3,914,712		1,252,599
Represented by:					
Members' capital classified as equity		2,365,000		520,000	
Other reserves classified as equity		1,549,712		732,599	
			3,914,712		1,252,599
			3,914,712		1,252,599
Total members' interests					
Members' other interests			3,914,712		1,252,599
			3,914,712		1,252,599

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

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

A Weber
Designated member

The notes on pages 9 to 15 form part of these financial statements.

ORCHARD GLOBAL ASSET MANAGEMENT LLP

RECONCILIATION OF MEMBERS' INTERESTS FOR THE YEAR ENDED 31 JULY 2018

	Members' capital (equity) £	Other members' interest (equity) £	Total £	Amounts due to members (Liability) Other amounts £	Amounts due to members (Liability) Total £	Total members' interests Total £
Balance at 1 August 2016	150,000	-	150,000	384,937	384,937	534,937
Members' remuneration charged as an expense	-	-	-	2,480,894	2,480,894	2,480,894
Profit for the year available for discretionary division among members	-	732,599	732,599	-	-	732,599
Members' interests after profit for the year	150,000	732,599	882,599	2,865,831	2,865,831	3,748,430
Amounts introduced by members	370,000	-	370,000	-	-	370,000
Drawings	-	-	-	(2,480,894)	(2,480,894)	(2,480,894)
Repayment of debt	-	-	-	(384,937)	(384,937)	(384,937)
Balance at 31 July 2017	520,000	732,599	1,252,599	-	-	1,252,599
Members' remuneration charged as an expense	-	-	-	2,090,642	2,090,642	2,090,642
Profit for the year available for discretionary division among members	-	817,113	817,113	-	-	817,113
Members' interests after profit for the year	520,000	1,549,712	2,069,712	2,090,642	2,090,642	4,160,354
Amounts introduced by members	2,005,000	-	2,005,000	-	-	2,005,000
Repayment of capital	(160,000)	-	(160,000)	-	-	(160,000)
Drawings	-	-	-	(2,090,642)	(2,090,642)	(2,090,642)
Balance at 31 July 2018	2,365,000	1,549,712	3,914,712	-	-	3,914,712

1. General information

Orchard Global Asset Management LLP is a Limited Liability Partnership incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the contents page and the nature of the partnership's operations and its principal activities are set out in the members' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is UK Sterling.

Transactions and balances

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.

2.3 Turnover

The LLP's revenue is derived from the provision of administration services to fellow group companies and investment management services to independently constituted funds.

Fees for administration services are earned over the course of the year as services are performed in accordance with an intercompany service agreement.

Investment management fees are comprised of two elements being a base investment management fee and a performance incentive fee. The base fee is earned during the course of the year as the services are delivered and are charged as a percentage of net assets under management. The performance incentive fee is only earned if certain performance criteria are met and are measured at the end of each calendar year. Performance incentive fees are only recognised once it is virtually certain they have been earned.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

2. Accounting policies (continued)

2.4 Operating leases: the LLP as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The LLP has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 August 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.5 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Pensions

Defined contribution pension plan

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.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- 5 Years
Fixtures and fittings	- 5 Years
Computer equipment	- 3 Years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

2. *Accounting policies (continued)*

2.8 Financial instruments

The LLP only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities. The only financial instruments held by the LLP are trade and other receivable, cash and cash equivalent and trade and other payables.

2.9 Debtors

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

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.11 Creditors

Short term creditors are measured at the transaction price.

3. **Judgments in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements, the members have had to make the following judgements:

Determine whether leases entered into by the LLP either as a lessor or a lessee are operating lease or Finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the asset and residual value are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Performance incentive fees are discretionary in nature and are only earned if certain performance criteria are met. Assessment of performance against the criteria only occurs at the end of each calendar year and is only recognised once it is virtually certain they have been earned.

4. **Turnover**

Analysis of turnover by country of destination:

	2018 £	*2017* *£*
Rest of the world	**14,271,262**	*8,302,073*
	14,271,262	*8,302,073*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

5. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	**82,618**	35,655
Exchange differences	**37,616**	7,026
Defined contribution pension cost	**16,930**	2,289
Other operating lease rentals	**638,470**	223,265
Fees payable to the LLP's auditors and its associates for:	**-**	-
Taxation compliance services	**-**	4,000
The audit of the LLP's annual financial statements	**16,000**	15,000
Audit related services pursuant to legislation	**3,000**	2,000
Other non-audit services	**-**	5,700

Audit fees in 2017 related to the LLP's previous auditors.

6. Employees

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

	2018 No.	2017 No.
Staff	**19**	15

7. Information in relation to members

	2018 £	2017 £
Members' remuneration charged as an expense	**2,090,642**	2,480,894
	2,090,642	2,480,894

Key management personnel

The members regard the designated members as key management personnel.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

8. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 August 2017	79,831	47,302	72,232	199,365
Additions	264,361	74,170	72,245	410,776
At 31 July 2018	344,192	121,472	144,477	610,141
Depreciation				
At 1 August 2017	48,200	35,001	29,404	112,605
Charge for the year on owned assets	33,425	15,046	34,146	82,617
At 31 July 2018	81,625	50,047	63,550	195,222
Net book value				
At 31 July 2018	262,567	71,425	80,927	414,919
At 31 July 2017	*31,631*	*12,301*	*42,828*	*86,760*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

9. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	**1,055,667**	*739,498*
Other debtors	**412,719**	*221,421*
Prepayments and accrued income	**436,046**	*53,090*
	1,904,432	*1,014,009*

10. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	**2,008,222**	*443,027*
	2,008,222	*443,027*

11. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	**103,056**	*1,048*
Other taxation and social security	**-**	*88,733*
Other creditors	**106,923**	*52,294*
Accruals and deferred income	**202,881**	*149,122*
	412,860	*291,197*

12. Pension commitments

The entity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the entity to the fund and amounted to £16,930 (2017 - £2,289) . Contributions totalling £3,027 (2017 - £763) were payable to the fund at the balance sheet date and are included in creditors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

13. Commitments under operating leases

At 31 July 2018 the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	**354,797**	*104,555*
Later than 1 year and not later than 5 years	**916,224**	*250,575*
	1,271,021	*355,130*