
GLOBAL ADVISORS (JERSEY) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

GLOBAL ADVISORS (JERSEY) LIMITED

COMPANY INFORMATION

DIRECTORS	Dwayne Drexler Daniel Masters Russell Newton Jean-Marie Mognetti
COMPANY SECRETARY	First Island Secretaries Limited
REGISTERED NUMBER	102184
REGISTERED OFFICE	First Island House Peter Street St Helier Jersey JE4 8SG
INDEPENDENT AUDITOR	Reads (Audit) Limited PO Box 179 40 Esplanade St Helier Jersey JE4 9RJ

GLOBAL ADVISORS (JERSEY) LIMITED

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GLOBAL ADVISORS (JERSEY) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their report and the audited financial statements for the year ended 31 December 2014. The financial statements have been prepared in accordance with United Kingdom Accounting Standards.

PRINCIPAL ACTIVITIES

The principal activity of the company is the provision of investment management and advisory services.

GOING CONCERN

The company has net assets of £455,075 (2013: £568,504) at the balance sheet date. The directors have prepared these financial statements on a going concern basis on the understanding that the principle shareholders will continue to provide ongoing financial support for the foreseeable future.

RESULTS

The deficit for the year, after taxation, amounted to £526,914 (2013 - deficit £408,086). The directors do not recommend the payment of a dividend for the year (2013 : £nil).

DIRECTORS

The directors who served during the year were:

Dwayne Drexler (non-executive director)
Daniel Masters
Russell Newton
Jean-Marie Mognetti

COMPANY SECRETARY

First Island Secretaries Limited was Company Secretary throughout the year.

PROVISION OF INFORMATION TO AUDITOR

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

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

AUDITOR

A resolution for the appointment of Reads (Audit) Limited as auditors to the company will be proposed at the annual general meeting.

This report was approved by the board on 28/04/15 and signed on its behalf.



First Island Secretaries Limited
Secretary

GLOBAL ADVISORS (JERSEY) LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

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

The Companies (Jersey) Law 1991 requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law. Under company law the directors 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 company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors 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 company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that these financial statements comply with these requirements.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
GLOBAL ADVISORS (JERSEY) LIMITED**

We have audited the financial statements of Global Advisors (Jersey) Limited for the year ended 31 December 2014, which comprise the balance sheet, income and expenditure account and related notes 1 to 14. The financial framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards on Auditing.

This report is made solely to the company's shareholders as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements;

- give a true and fair view of the state of affairs of the company as at 31 December 2014 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards; and
- have been prepared in accordance with the Companies (Jersey) Law 1991.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
GLOBAL ADVISORS (JERSEY) LIMITED – continued**

Opinion on matters prescribed by the Financial Services (Trust Company and Investment Business (Accounts, Audits and Reports)) (Jersey) Order 2007

In our opinion;

- the financial statements have been properly prepared in accordance with the Financial Services (Trust Company and Investment Business (Accounts, Audits and Reports)) (Jersey) Order 2007; and
- the Directors Report has been properly prepared in accordance with Article 6 of the Financial Services (Trust Company and Investment Business (Accounts, Audits and Reports)) (Jersey) Order 2007.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 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.



**Philip J Crosby
For & on behalf of
Reads (Audit) Limited,
Chartered Accountants
Jersey, C.I.**

Date:- 28 April 2015.....

GLOBAL ADVISORS (JERSEY) LIMITED

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
TURNOVER	1	85,504	330,013
Administrative expenses		(612,418)	(738,530)
OPERATING DEFICIT	2	(526,914)	(408,517)
Interest receivable and similar income		-	431
DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(526,914)	(408,086)
Tax on deficit on ordinary activities		-	-
DEFICIT FOR THE FINANCIAL YEAR	8	(526,914)	(408,086)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Income and expenditure account.

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

GLOBAL ADVISORS (JERSEY) LIMITED
REGISTERED NUMBER: 102184

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	4		276		1,931
CURRENT ASSETS					
Debtors	5	155,020		249,088	
Cash at bank and in hand		354,479		376,143	
		<u>509,499</u>		<u>625,231</u>	
CREDITORS: amounts falling due within one year	6	<u>(54,700)</u>		<u>(58,658)</u>	
NET CURRENT ASSETS			<u>454,799</u>		<u>566,573</u>
NET ASSETS			<u>455,075</u>		<u>568,504</u>
CAPITAL AND RESERVES					
Called up share capital	7		1,550,753		1,137,268
Share premium account	8		96,863		96,863
Income and expenditure account	8		<u>(1,192,541)</u>		<u>(665,627)</u>
SHAREHOLDERS' FUNDS			<u>455,075</u>		<u>568,504</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

Daniel Masters
 Director



23/04/2015

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

GLOBAL ADVISORS (JERSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have also been prepared on a going concern basis on the understanding that the principal shareholders will continue to provide ongoing financial support for the foreseeable future.

1.2 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.3 Fees

Fees comprise investment management and performance fees accrued during the year.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	3 years
Fixtures and fittings	-	3 years
Office equipment	-	3 years

Depreciation is charged from the date of acquisition of an asset. Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write down would be charged to operating profit.

1.5 Operating leases

Rentals under operating leases are charged to the Income and expenditure account on a straight line basis over the lease term.

1.6 Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the date of the 31 December 2014.

Exchange gains and losses are recognised in the Income and expenditure account.

GLOBAL ADVISORS (JERSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

2. OPERATING DEFICIT

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

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	1,780	13,000
Auditor's remuneration	7,000	7,000
Operating lease rentals:		
- other operating leases	29,357	47,525
Difference on foreign exchange	(9,714)	330
	(9,714)	330

3. Taxation

No provision has been made for Jersey Income Tax as the company has no chargeable profits for the year due to the incidence of trading losses.

4. FIXED ASSETS

	Leasehold Improvements £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 January 2014	14,662	55,757	45,019	115,438
Additions	-	-	125	125
At 31 December 2014	14,662	55,757	45,144	115,563
Depreciation				
At 1 January 2014	14,572	54,974	43,961	113,507
Charge for the year	90	782	908	1,780
At 31 December 2014	14,662	55,756	44,869	115,287
Net book value				
At 31 December 2014	-	1	275	276
At 31 December 2013	90	783	1,058	1,931

GLOBAL ADVISORS (JERSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

5. DEBTORS

	2014	2013
	£	£
Trade debtors	737	17,474
Amounts owed by group company	-	109,237
Other debtors	147,597	75,928
Prepayments and accrued income	5,333	45,177
GST recoverable	1,353	1,272
	155,020	249,088
	155,020	249,088

6. CREDITORS:
Amounts falling due within one year

	2014	2013
	£	£
Bank loans and overdrafts	-	11
Trade creditors	28,750	32,327
Other taxes and social security	2,539	8,163
Accruals	23,411	18,157
	54,700	58,658
	54,700	58,658

7. SHARE CAPITAL

	2014	2013
	£	£
Allotted, called up and fully paid		
1,268,589 (2013 - 1,068,589) Ordinary shares of £1 each	1,268,589	1,068,589
275,000 Ordinary shares of £0.50 each (2013 - nil)	137,500	-
	1,406,089	1,068,589
	1,406,089	1,068,589
Allotted		
144,664 (2013 - 68,679) Redeemable shares of £1 each	144,664	68,679
	144,664	68,679
	144,664	68,679

During the year, the company issued 200,000 £1 ordinary shares for a total consideration of £200,000 and 275,000 £0.50 ordinary shares for a total consideration of £137,500.

GLOBAL ADVISORS (JERSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

7. SHARE CAPITAL (continued)

Redeemable shares confer on the holders the right to receive dividends and on a winding-up the return of amounts paid up on such shares but no further payment. The company may issue, allot and redeem shares at any time as the directors determine. On redemption the company returns the amount paid up. Redeemable shares issued and allotted are accounted for as equity.

During the year the company redeemed 4,015 £1 redeemable shares and issued 80,000 £1 redeemable shares.

At 31 December 2014, a total of 144,664 (2013 : 68,679) redeemable shares remained unpaid.

8. RESERVES

	Share premium account £	Income and expenditure account £
At 1 January 2014	96,863	(665,627)
Deficit for the year		(526,914)
At 31 December 2014	<u>96,863</u>	<u>(1,192,541)</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening balance	568,504	654,399
Deficit for the year	(356,943)	(408,086)
Net proceeds of issue of ordinary share capital	337,500	348,568
Net allotment of redeemable share capital	80,000	-
Net cost of redeeming redeemable share capital	(4,015)	(26,377)
Total	<u>625,046</u>	<u>568,504</u>

10. OPERATING LEASE COMMITMENTS

At 31 December 2014 the company had lease commitments under non-cancellable operating leases in respect of land and buildings as follows:

	Land and buildings	
	2014 £	2013 £
Expiry date:		
Between 2 and 5 years	<u>24,000</u>	<u>38,260</u>

GLOBAL ADVISORS (JERSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

11. RELATED PARTY TRANSACTIONS

Mr Daniel Masters and Mr Jean-Marie Mognetti are directors of Global Advisors Bitcoin Investment Fund PLC ('GABI'), a Jersey company for which the company settled expenditure of £159,843 (2013: £nil). In accordance with GABI's prospectus, the company is able to reclaim these expenses from GABI. However, the company has not yet sought reimbursement from GABI as the directors of the company are concerned as to the effect that any reimbursement may have on the performance and future prospects of GABI. While the directors are confident that GABI will be able to reimburse the company for the amounts settled on its behalf in the future, the timing of this and subsequent settlement by GABI is uncertain. Consequently, due to this uncertainty the directors have created a provision for 100% of this debtor balance at the year end.

During the year the company was appointed as investment advisor to GABI. Management Fees of £757 are included within Turnover of which £737 (2013:£nil) remains outstanding at 31 December 2014.

12. ULTIMATE CONTROLLING PARTIES

The ultimate controlling parties of the company are considered to be Mr Russell Newton and Mr Daniel Masters, by virtue of their share-holding both direct and indirect via the company's immediate parent Global Advisors (Holdings) Limited ('GAHL').

13. INVESTMENTS

The company acquired 1 nominal share during the year in the Global Advisors Bitcoin Investment Fund PLC ('GABI'). The nominal share provides the company with ownership and management rights over GABI but does not provide the company with access to any economic benefit arising in GABI. Consequently the Directors have assessed the shares held in GABI to be £nil and that the company does not exercise control over GABI in accordance with FRS 2 'Accounting for Subsidiary Undertakings';.

14. SHARE BASED PAYMENTS

During the year 75,000 £0.50 ordinary shares were issued to a director in lieu of salary. The directors consider that the fair value of the shares issued was not materially different to their nominal value, which matched the services provided by the director during the year.

GLOBAL ADVISORS (JERSEY) LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Page	2014 £	2013 £
TURNOVER	13	85,504	<i>330,013</i>
LESS: OVERHEADS			
Administration expenses	13	(612,418)	<i>(738,530)</i>
OPERATING DEFICIT		(526,914)	<i>(408,517)</i>
Interest receivable	13	-	<i>431</i>
DEFICIT FOR THE YEAR		(526,914)	<i>(408,086)</i>

GLOBAL ADVISORS (JERSEY) LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 £	2013 £
TURNOVER		
Fees	38,776	293,329
Other Income	46,728	36,684
	85,504	330,013
	85,504	330,013
	2014 £	2013 £
ADMINISTRATION EXPENSES		
Directors salaries	76,410	119,077
Staff costs	60,568	265,928
Subsistence	1,347	-
Travel and Entertainment	26,919	15,230
Office expenses	4,079	4,267
Information Technology	29,467	42,254
Advertising and promotion	5,328	2,871
Legal and professional	153,792	142,337
Auditors' remuneration	7,000	7,000
Difference on foreign exchange	(9,714)	330
Client entertaining	1,488	-
Conferences and training	1,163	-
Distributor fees	4,699	26,205
Rent	29,357	47,525
Premises costs	12,592	16,040
Service charges	1,017	-
Insurances	32,265	31,653
Provision for doubtful recovery of GABI settled expenditure	159,843	-
Depreciation	1,780	13,001
Profit/loss on sale of tangible assets	-	(3,250)
Miscellaneous expenses	3,933	5,093
Loan written off due from related party	-	2,969
Premises Expenses	9,085	-
	612,418	738,530
	612,418	738,530
	2014 £	2013 £
INTEREST RECEIVABLE		
Bank interest receivable	-	431
	-	431
	-	431