

Registration Number : 02137771

Nova Capital Management Limited

Annual Report and Financial Statements
for the year ended

30 June 2021



NOVA CAPITAL MANAGEMENT LIMITED
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For the year ended 30 June 2021

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NOVA CAPITAL MANAGEMENT LIMITED

Directors' report

For the year ended 30 June 2021

The directors present their report and the unaudited financial statements of Nova Capital Management Limited (the "company") for the year ended 30 June 2021.

Principal activities

The company's principal activity is to act as adviser or manager, as appropriate, to private equity funds. The company is authorised and regulated by the Financial Conduct Authority.

Results and dividends

The company's loss for the year after taxation was £144,988 (2020: £23,581). The directors do not recommend the payment of a dividend for the year ended 30 June 2021 (2020: £nil) and £144,988 (2019: £23,581) has been transferred to reserves.

Going concern

The company continues to adopt the going concern basis in preparing its financial statements.

As noted in these accounts, on 10 November 2020, the Company's immediate parent company Nova Capital Group Limited ("NCG") became a wholly owned subsidiary of Green River Capital Partners Limited ("Green River"), which is itself controlled by a director and other affiliates of the Company. This reorganisation, and the related re-structuring of inter-company loans between Green River and NCG, has strengthened the Group's financial position and prospects.

In preparing these accounts, the Directors have reviewed the cash flow forecasts of the Group as well as of the company.

Directors

The directors who held office during the year were as follows:

D S Williamson

N Amin

NOVA CAPITAL MANAGEMENT LIMITED

Directors' report

For the year ended 30 June 2021

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare financial statements in accordance with Financial Reporting Standard 102 'The Financial Reporting Standards applicable in the United Kingdom and the Republic of Ireland' ("FRS 102"), Section 1A Small Entities. 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 profit or loss 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 102 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 company will continue in business.

The directors are responsible for keeping adequate 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 Act 2006. 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 are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board



David Williamson
Director

17 March 2022

NOVA CAPITAL MANAGEMENT LIMITED
Profit and loss account
For the year ended 30 June 2021

	Notes	Year ended 30 June 2021	Year ended 30 June 2020
		£	£
Turnover	3	1,171,608	1,344,296
Operating expenses		<u>(1,316,596)</u>	<u>(1,320,715)</u>
Operating profit	4	(144,988)	23,581
Tax on profit on ordinary activities	6	-	-
Retained profit for the financial year		<u>(144,988)</u>	<u>23,581</u>

All of the results are derived from continuing activities.

The company has no recognised gains and losses other than the profit reported above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

The notes on pages 6 to 9 form part of these financial statements.

NOVA CAPITAL MANAGEMENT LIMITED

Balance sheet

As at 30 June 2021

Company number : 02137771

	Notes	2021 £	2020 £
Fixed assets			
Investment in subsidiaries	7	-	-
Other investments	7	-	-
		<u>-</u>	<u>-</u>
Current assets			
Debtors	8	4,976,464	5,038,489
Cash at bank and in hand		3,705	3,749
		<u>4,927,715</u>	<u>5,042,238</u>
Creditors: amounts falling due within one year	9	(202,828)	(177,654)
Net current assets		<u>4,719,597</u>	<u>4,864,584</u>
Net assets		<u><u>4,719,597</u></u>	<u><u>4,864,584</u></u>
Capital and reserves			
Called up share capital		543,475	543,475
Share premium		166,585	166,585
Capital redemption reserve		174,999	174,999
Profit and loss account		3,834,538	3,979,525
Shareholders' funds		<u><u>4,719,597</u></u>	<u><u>4,864,584</u></u>

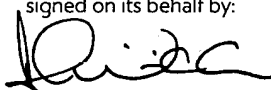
Statements:

For the year ended 30 June 2021, the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the period in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 June 2021 and of its profit for the period in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial directors statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions applicable to small companies subject to the small companies' regime.

The financial statements on pages 3 to 9 were approved by the board of directors on 17 March 2022 and were signed on its behalf by:



David Williamson
Director

The notes on page 6 to 9 form part of these financial statements.

NOVA CAPITAL MANAGEMENT LIMITED
Statement of changes in equity
For the year ended 30 June 2021

	Called up Share capital £	Share Premium £	Capital redemption reserve £	Profit and loss account £	Total £
As at 1 July 2019	<u>543,475</u>	<u>166,585</u>	<u>174,999</u>	<u>3,955,944</u>	<u>4,841,003</u>
Movement in the year	-	-	-	23,581	23,581
As at 30 June 2020	<u>543,475</u>	<u>166,585</u>	<u>174,999</u>	<u>3,979,525</u>	<u>4,864,584</u>
Movement in the year	-	-	-	(144,988)	(144,988)
As at 30 June 2021	<u>543,475</u>	<u>166,585</u>	<u>174,999</u>	<u>3,834,538</u>	<u>4,719,597</u>

The notes on pages 6 to 9 form part of these financial statements

NOVA CAPITAL MANAGEMENT LIMITED
Notes to the financial statements
For the year ended 30 June 2021

1. Company Information

The company is a private company limited by shares and is registered in England and Wales. Registration number: 02137771. Registered Office: Octagon Point, 5 Cheapside, London EC2V 6AA

2. Accounting policies

(a) Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 section 1A – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland for smaller entities' ('FRS 102 1A'), and with the Companies Act 2006. The principal accounting policies, which have been applied consistently, are set out below.

(b) Turnover

Turnover represents investment advisory and other investment related fees recognised over the period the service is provided, which is in accordance with the investment advisory agreements under which the firm's revenue is calculated.

(c) Taxation

UK corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

(d) Deferred tax

Deferred taxation is recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. An asset is not recognised to the extent that the transfer of economic benefits is uncertain. Deferred tax assets and liabilities are not discounted.

(e) Cash flow

The company is exempt under the terms of the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland for smaller entities' ('FRS 102 1A') from publishing a cash flow statement.

(f) Related party transactions

The company is a wholly owned subsidiary of Nova Capital Group Limited, and under the terms of the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland for smaller entities' ('FRS 102 1A'), has taken advantage of the exemption not to disclose transactions with other entities wholly owned by members of the group.

(g) Consolidated accounts

The financial statements contain information about Nova Capital Management Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included in the consolidated financial statements of its ultimate parent, Nova Capital Group Limited, a company registered in England and Wales.

NOVA CAPITAL MANAGEMENT LIMITED
Notes to the financial statements (continued)
For the year ended 30 June 2021

(h) Investments

Investments comprise investments in subsidiary undertakings and unquoted equity instruments, which are measured at fair value, based on the underlying NAV of the investments held. Changes in fair value are recognised in the profit or loss account. Fair value is estimated by using a valuation technique in accordance with the International Private Equity and Venture Capital Valuation Guidelines.

(i) Foreign currency

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

3. Turnover

In the opinion of the directors all turnover and profit before taxation relate to one class of business in one market only. In addition, segmental reporting information is not provided because all fees arise as a result of work performed in the UK.

4. Operating profit

The operating profit is stated after charging :

	2021	2020
	£	£
Group management charges	<u>1,264,142</u>	<u>1,306,172</u>

5. Directors' emoluments

Both members of the board of directors of Nova Capital Management Limited in the year also served on the boards of other group companies and received emoluments centrally in this respect. No recharge for this expense was made to Nova Capital Management Limited, and in the opinion of the directors of the group it is not possible to accurately split this remuneration between the different entities they served.

David Williamson and Neelam Amin are directors for Nova Capital Management Limited and are also directors of the immediate and direct parent company, Nova Capital Group Limited, and remuneration is within the disclosures in the financial statements of that company. It is not practicable to allocate directors remuneration to subsidiaries.

During the year, on 10 November 2020, Green River Capital Partners Limited, a company registered in England and Wales, became the ultimate parent of Nova Capital Group Limited and its group (including subsidiaries) and therefore the ultimate parent to Nova Capital Management Limited.

6. Tax on profit on ordinary activities

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2021 or for the year ended 30 June 2020. Group relief has been claimed from other companies within the group. No payment is made for such group relief.

NOVA CAPITAL MANAGEMENT LIMITED
Notes to the financial statements (continued)
For the year ended 30 June 2021

7. Fixed asset investments

Investment in subsidiary undertaking

	2021 £	2020 £
Cost		
As at 1 July 2020 and 1 July 2019	25,000	25,000
Impairment		
As at 1 July 2020 and 1 July 2019	(25,000)	(25,000)
As at 30 June 2021 and 30 June 2020	(25,000)	(25,000)
Valuation as at 30 June 2021 and 30 June 2020	-	-

Details of the company's subsidiary undertaking is as follows:

Subsidiary	Country of incorporation	Principal activity	Class and percentage of shares held by the Group
SELECT Industries Management Company Limited ("SIMCO")	Guernsey	Investment management (dormant)	Ordinary £25,000 100%

The subsidiary company has a 30 June year end.

Other investment

	2021 £	2020 £
Cost		
As at 1 July 2020 and 1 July 2019	23,151	23,151
Additions	-	-
As at 30 June 2021 and 30 June 2020	23,151	23,151
Impairment		
As at 1 July 2020 and 1 July 2019	(23,151)	(23,151)
Investment impairment	-	-
As at 30 June 2021 and 30 June 2020	(23,151)	(23,151)
Valuation as at 30 June 2021 and 30 June 2020	-	-

8. Debtors

	2021 £	2020 £
Trade debtors	17,988	58,965
Amounts owed by group undertakings	4,906,022	4,979,524
Prepayments and accrued income	-	-
	<u>4,924,010</u>	<u>5,038,489</u>

Amounts owed by group undertakings are unsecured, interest free and have no fixed date for repayment.

NOVA CAPITAL MANAGEMENT LIMITED
Notes to the financial statements (continued)
For the year ended 30 June 2021

9. Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts due to group undertakings	202,828	172,763
Accruals and deferred income	900	500
Other creditors	4,390	4,390
	<u>208,118</u>	<u>177,653</u>

Amounts owed by the company to group undertakings are unsecured, interest free and have no fixed date for repayment.

10. Ultimate holding company and ultimate controlling party

During the year, on 10 November 2020, Green River Capital Partners Limited, a company registered in England and Wales, became the ultimate parent of Nova Capital Group Limited and its group (including subsidiaries) and therefore the ultimate parent to Nova Capital Management Limited.