

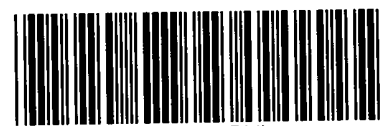
Company Registration No. 05011189 (England and Wales)

Y.CO GROUP LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2015



3 Acorn Business Centre
Northarbour Road
Cosham
Portsmouth
United Kingdom
PO6 3TH

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COMPANIES HOUSE

Y.CO GROUP LIMITED

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Y.CO GROUP LIMITED

COMPANY INFORMATION

Directors	Mr. C Birkett Mr. S Hoffman
Secretary	Mr. R Crane
Company number	05011189
Registered office	18 Coulson Street London United Kingdom SW3 3NB
Auditors	tgs taylorcocks 3 Acorn Business Centre Northarbour Road Cosham Portsmouth Hampshire United Kingdom PO6 3TH

Y.CO GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The director presents the strategic report and financial statements for the year ended 31 December 2015.

New ultimate holding company

On 22 September 2015, Fifty Four Four Limited a company owned and controlled by Charlie Birkett acquired shares to own a majority stake in Y.CO Group Limited, this was communicated to all shareholders as it triggered a mandatory offer under the city code. That offer was accepted by further shareholders which increased the shareholding of Fifty Four Four Limited to 71% in November 2015.

The impact of the 2015 take over is that Fifty Four Four limited became the ultimate holding company and this further triggered a change in the auditors of the UK Group companies but not the auditors in Monaco, which remain as E&Y. In accordance with Section 400 of the Companies Act 2006 the accounts of Y.CO Group Limited are no longer required to be consolidated accounts and the financial statements that follow are therefore individual company accounts of Y.CO Group Limited with some enhanced disclosures to allow the minority shareholders to appreciate the specific position of the company and the yachting Group.

The consolidation of the whole group will now take place at the Fifty Four Four Limited level. The consolidation within Fifty Four Four Limited is only with effect from 22 September 2015.

2015 accounts

The majority of trading transactions of the Group occur via the Monaco office which is audited by E&Y , the summary results are detailed in Note 12 to the accounts which demonstrates the annual results and balance sheets of the subsidiaries of Y.CO Group Limited. The results of the traditional Y.CO Group was a small profit for the year with Monaco effectively supporting the satellite sales operations in the USA and the UK. The stand alone Y.CO Group Limited accounts make provisions for Group loans to subsidiary companies in accordance with accounting convention, these provisions impact the Group accounts for the year . On consolidation these are negated as in previous years.

The stand alone accounts show a loss of £508,696 for the year.

BUSINESS OVERVIEW

There is little impact on the Yachting activities as a result of Fifty Four Four Limited taking control as indicated in the mandatory offer document issued on September 2015. During 2015 the board and management team of the yachting activities concentrated its focus on developing and improving all routes to market, the business established an improvement in both activity and market share. Revenues from yacht management, charter and yacht brokerage increased, as did the number of yachts contracted to the company's sales, charter and management fleets. Overall the business performed in line with the board's expectations. The wider market trends, which do react to world news and economic conditions will be the challenge during 2016.

Against an increasingly competitive marketplace, the board remains fully focused on delivering high level client services and securing long-standing client relationships to maintain both market share and reputation as a market leader in its core services. The board remain confident that the marketing effort will continue to deliver future results however 2016 is a year of referendums and US elections bringing volatility and resultant challenges.

The Y.CO brand, messages and ethos are best explored on the new website which allows an interactive experience to explore yachting and the full range of services that Y.CO and its team provide. www.y.co.

Y.CO GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

FINANCIAL OVERVIEW

The company has also reviewed the carrying values of loans to associated businesses and subsidiaries in producing the balance sheet and in view of the stronger Monaco companies performance no provisions to carrying value of Goodwill is required. However the individual results of Y.CO Group Limited have been impacted by provisions to balances owed by Y.CO inc which reflects a continued investment into Y.CO'S presence in the USA .As indicated above the the results reflect provisions in respect the USA investment.

The Group continues to be supported by its key Monaco Directors and Fifty Four Four Limited who have rescheduled loans due to them in the Monaco company to finance the company trading , the relocation of the Monaco offices and US operations.

The specific trading of Y.CO Group Limited is based on Group management charges to offset the costs of administration which will reduce as it is no longer the ultimate holding company.

KEY RISKS AND UNCERTAINTIES

The directors are optimistic about the continued development of the business and the Y.CO Brand. However this is dependent upon factors such as the volatility of the US Dollar and Euro exchange rates and global economic stability. The exchange rate risk is partly mitigated by buying and selling in the same currency with most costs and income being the euro zone. The main risk to currency for Y.CO Group Limited is the impact of exchange rates against the rate of the original investments.

The Group does not have formal policies on interest rate risk or foreign currency risk. The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than pound sterling (£). The Group maintains a natural hedge that minimises the foreign exchange exposure by matching foreign currency income with foreign currency costs.

Given the nature of the business for the time being, the Group does not consider it necessary to enter into foreign exchange contracts in managing its foreign exchange risk resulting from cash flows from transactions denominated in foreign currency. However given the increased volatility in recent months this aspect of the business will be closely monitored and advice taken as appropriate.

The Group prepares working capital forecasts for the foreseeable future, allowing an assessment of the cash requirements of the Company, to manage liquidity risk. The directors have considered the risk posed by liquidity and are satisfied that there is sufficient cash resources and equity in the Company. The yachting group has secured a business facilities to move to new Monaco offices in 2016.

GOING CONCERN

After making appropriate enquiries, the Directors consider that the Company and the Yachting Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. This is reflected in note 1 to the financial statements.

OUTLOOK

The beginning of 2016 has not seen a marked recovery of market conditions however the Group has budgeted to be in profit after reinvestment in new offices as a result terminating leases in Monaco. With fully scalable operations in place, as and when an increased level of recovery occurs, the board is confident that the Company will be well positioned to capitalise improving industry trends.

Y.CO GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

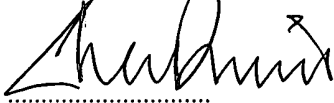
FOR THE YEAR ENDED 31 DECEMBER 2015

EMPLOYEE CONSULTATION

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the relevant matters affecting the performance of the Group. The Senior management and operational team are motivated and active in the day to day running of the yachting group. The wider employee involvement is achieved through informal meetings, staff bulletins, internal websites and meetings with staff representatives.

The Y.CO team are key to the companies success and both 2015 and 2016 has seen new employees enhance the team together with continued internal advancement of loyal and motivated team players. From 2016 Y.CO Group Limited will have no direct employees apart from the officers of the company.

On behalf of the board



Mr. C Birkett

Director

.....08/09/2016

Y.CO GROUP LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The director presents his annual report and financial statements for the year ended 31 December 2015.

Principal activities

The principal activity of the company during the year was that of an intermediate holdings company.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr. G Wright	(Resigned 26 May 2015)
Mr. C Birkett	
Mr. S Hoffman	
Mr. C Evans-Pollard	(Resigned 31 December 2015)

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Statement of director's responsibilities

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 director is 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. He is 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.

Y.CO GROUP LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Auditor

Subsequent to the year-end the company changed registered auditors. On 15 January 2016 tgs taylorcocks were appointed, replacing Jeffrey's Henry LLP as registered auditors.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Strategic report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report the information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

On behalf of the board



Mr. C Birkett

Director

05/09/2016

Y.CO GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Y.CO GROUP LIMITED

We have audited the financial statements of Y.CO Group Limited for the year ended 31 December 2015 which comprise the Profit And Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditor

As explained more fully in the Director's Responsibilities Statement, the director is 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

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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 the company's affairs as at 31 December 2015 and of its loss 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Y.CO GROUP LIMITED

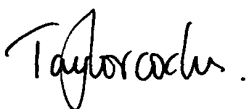
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF Y.CO GROUP LIMITED

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 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



JAMES BLAKE ACA (Senior Statutory Auditor)

For and on behalf of

 **taylorcocks**

Statutory Auditor

Office: Portsmouth

Date: 06/09/2016

Y.CO GROUP LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2015**

		2015	2014
	Notes	£	£
Turnover	3	712,299	368,177
Administrative expenses		(722,517)	(497,566)
Operating loss	4	(10,218)	(129,389)
Interest receivable and similar income	7	4,404	3,778
Amounts written off loan receivables	8	(502,882)	(214,818)
Loss before taxation		(508,696)	(340,429)
Taxation	9	-	-
Loss for the financial year		(508,696)	(340,429)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Y.CO GROUP LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	£	£
Loss for the year	(508,696)	(340,429)
Other comprehensive income	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	(508,696)	(340,429)
	<hr/> <hr/>	<hr/> <hr/>

Y.CO GROUP LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

		2015		2014	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	10	297,102		336,366	
Tangible assets	11	34,394		-	
Investments	12	2,419,316		2,419,316	
			<u>2,750,812</u>		<u>2,755,682</u>
Current assets					
Debtors	15	543,786		573,457	
Cash at bank and in hand		35,660		24,786	
			<u>579,446</u>		<u>598,243</u>
Creditors: amounts falling due within one year	16	(810,207)		(244,295)	
Net current (liabilities)/assets			<u>(230,761)</u>		<u>353,948</u>
Total assets less current liabilities			<u>2,520,051</u>		<u>3,109,630</u>
Creditors: amounts falling due after more than one year	17	(47,420)		(128,303)	
Net assets			<u><u>2,472,631</u></u>		<u><u>2,981,327</u></u>

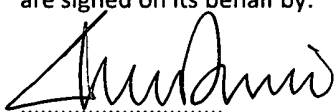
Y.CO GROUP LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Capital and reserves					
Called up share capital	18	169,708		169,708	
Share premium account		15,378,873		15,378,873	
Profit and loss reserves		(13,075,950)		(12,567,254)	
Total equity		<u>2,472,631</u>		<u>2,981,327</u>	

The financial statements were approved by the board of directors and authorised for issue on 05/09/2016 and are signed on its behalf by:



Mr. C Birkett
Director

Company Registration No. 05011189

Y.CO GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 January 2014	169,708	15,378,873	(12,226,825)	3,321,756
Year ended 31 December 2014:				
Loss and total comprehensive income for the year	-	-	(340,429)	(340,429)
Balance at 31 December 2014	169,708	15,378,873	(12,567,254)	2,981,327
Year ended 31 December 2015:				
Loss and total comprehensive income for the year	-	-	(508,696)	(508,696)
Balance at 31 December 2015	169,708	15,378,873	(13,075,950)	2,472,631

Y.CO GROUP LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

		2015		2014	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	22		44,088		(38,483)
Investing activities					
Purchase of tangible fixed assets		(37,618)		-	
Interest received		4,404		3,778	
Net cash (used in)/generated from investing activities			(33,214)		3,778
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			10,874		(34,705)
Cash and cash equivalents at beginning of year			24,786		59,491
Cash and cash equivalents at end of year			35,660		24,786

Y.CO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Company information

Y.CO Group Limited is a company limited by shares incorporated in England and Wales. On 22 September 2015, Fifty Four Four Limited took control of the company therefore single entity accounts have been prepared, whereas in previous years, consolidated accounts had been prepared. The registered office is 18 Coulson Street, London, United Kingdom, SW3 3NB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of Y.CO Group Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 23.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

During 2014, Y.CO Group Limited prepared consolidated financial statements consolidating all companies within the group. The consolidated financial statements were prepared under the International Financial Reporting Standards. On 22 September 2015, due to a change in ownership of the Group, the company elected to present information about the company as an individual entity and not about its group under the FRS 102 framework. The consolidated financial statements have now been prepared higher up the Group.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover shown in the profit and loss account represents intercompany management charges, exclusive of value added tax.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies **(Continued)**

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software and domain names	10% straight line
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1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	5% - 35% straight line
--------------------------------	------------------------

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, loan receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities are initially measured at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Impairment of financial assets

The company has provided financial assistance under commercial arrangements to certain subsidiaries and third parties. These financial assets are reviewed for impairment by management, at each reporting date in accordance with the accounting policy above. Based on management's judgement of the recoverability of the amounts due in respect of these financial assets, a provision is made within the financial statements as 'Amounts written off loan receivables'. In determining the provision to be made management exercise prudence in assessing the recoverability of the future cash inflows likely to be derived from the financial asset.

Y.CO GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2015****3 Turnover and other revenue**

An analysis of the company's turnover is as follows:

	2015	2014
	£	£
Turnover		
Management charges	712,299	368,177
	<u> </u>	<u> </u>
Other significant revenue		
Interest income	4,404	3,778
	<u> </u>	<u> </u>

Turnover analysed by geographical market

	2015	2014
	£	£
Europe	712,299	368,177
	<u> </u>	<u> </u>

4 Operating loss

	2015	2014
	£	£
Operating loss for the year is stated after charging/(crediting):		
Exchange losses/(gains)	12,029	23,720
Fees payable to the company's auditors for the audit of the company's financial statements	5,000	-
Fees payable to the company's previous auditors for the audit of the groups consolidated financial statements	-	30,000
Depreciation of owned tangible fixed assets	3,224	-
Amortisation of intangible assets	39,264	39,265
Operating lease charges	123,216	49,681
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2015	2014
	Number	Number
Directors	1	1
	<u> </u>	<u> </u>

Y.CO GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2015**

5 Employees (Continued)

Their aggregate remuneration comprised:

	2015	2014
	£	£
Wages and salaries	31,470	46,144

The company does not consider there to be any Key Management Personnel.

6 Director's remuneration

	2015	2014
	£	£

Remuneration received via company

Directors' fees and salary	30,000	32,000
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Remuneration received via subsidiary undertakings

Directors' brokerage commission	669,684	604,415
Directors' benefits	-	35,396
	669,684	639,811

Remuneration disclosed above include the following amounts paid to the highest paid director:

Directors' brokerage commission	623,815	302,208
Directors' benefits	-	20,486

7 Interest receivable and similar income

	2015	2014
	£	£
Interest income		
Other interest income	4,404	3,778

Y.CO GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2015****8 Amounts written off loan receivables**

	2015 £	2014 £
Provision against third party receivables	(152,882)	-
Provision against intercompany receivables	(350,000)	(214,818)
	<u>(502,882)</u>	<u>(214,818)</u>

The company makes provision where the intercompany loan is not specifically supported by the net assets of its subsidiary balance sheet. An additional £350,000 is provided against YCO Inc.

9 Taxation

The charge for the year can be reconciled to the loss per the profit and loss account as follows:

	2015 £	2014 £
Loss before taxation	<u>(508,696)</u>	<u>(340,429)</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2014: 20.00%)	(101,739)	(68,086)
Tax effect of expenses that are not deductible in determining taxable profit	-	42,964
Tax effect of income not taxable in determining taxable profit	-	(25,322)
Unutilised tax losses carried forward	8,376	51,608
Deferred tax adjustments in respect of prior years	(7,213)	(1,164)
Other movement	<u>100,576</u>	<u>-</u>
Tax expense for the year	<u>-</u>	<u>-</u>

Y.CO GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2015****10 Intangible fixed assets**

	Software and domain names £
Cost	
At 1 January 2015 and 31 December 2015	392,532
Amortisation and impairment	
At 1 January 2015	56,166
Amortisation charged for the year	39,264
At 31 December 2015	95,430
Carrying amount	
At 31 December 2015	297,102
At 31 December 2014	336,366

11 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2015	8,613
Additions	37,618
At 31 December 2015	46,231
Depreciation and impairment	
At 1 January 2015	8,613
Depreciation charged in the year	3,224
At 31 December 2015	11,837
Carrying amount	
At 31 December 2015	34,394
At 31 December 2014	-

Y.CO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

12 Fixed asset investments

	Notes	2015 £	2014 £
Investments in subsidiaries	13	2,419,316	2,419,316

Fixed asset investments not carried at market value

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

At the year end the company had interests in the following subsidiaries.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2015 & 31 December 2015	16,826,981
Impairment	
At 1 January 2015 & 31 December 2015	14,407,665
Carrying amount	
At 31 December 2015	2,419,316
At 31 December 2014	2,419,316

Y.CO GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2015****13 Subsidiaries**

These financial statements are separate company financial statements for Y.CO Group Limited.

Details of the company's subsidiaries at 31 December 2015 are as follows:

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held Direct Indirect	
YCO SAM	Monaco	Brokerage and Yacht Management services	Ordinary	100.00	
YCO Inc	USA	Brokerage and Yacht Management services	Ordinary	100.00	
Y.CO The Yacht Company SL	Spain	Supply of goods and services to yachts	Ordinary	100.00	
Y.CO 3 SAM	Monaco	Brokerage and Yacht Management services	Ordinary		100.00
YCO SARL	France	Yacht crew recruitment	Ordinary		100.00
YCO Yacht Limited	England & Wales	Brokerage and Yacht Management services	Ordinary		100.00
Y.CO Support LLC	USA	Brokerage and Yacht Management services	Ordinary		100.00
Y.CO 3 LLP	England & Wales	Brokerage and Yacht Management services	Partnership		97.00

14 Financial instruments

	2015 £	2014 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	459,995	539,547
Equity instruments measured at cost less impairment	2,419,316	2,419,316
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	755,627	322,589
	<u> </u>	<u> </u>

Y.CO GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2015****15 Debtors**

	2015	2014
	£	£
Amounts falling due within one year:		
Amounts due from fellow group undertakings	449,195	417,891
Other debtors	34,939	131,116
Prepayments and accrued income	59,652	24,450
	<u>543,786</u>	<u>573,457</u>

16 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	138,486	25,105
Amounts due to fellow group undertakings	569,721	83,645
Other creditors	-	85,536
Accruals and deferred income	102,000	50,009
	<u>810,207</u>	<u>244,295</u>

17 Creditors: amounts falling due after more than one year

	2015	2014
	£	£
Other creditors	<u>47,420</u>	<u>128,303</u>

Y.CO GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2015****18 Share capital**

	2015	2014
	£	£
Ordinary share capital		
Issued and fully paid		
48,487,789 Ordinary shares of 0.35p each	169,708	169,708
1,349 Deferred shares of 0.05p each	-	-
	<u>169,708</u>	<u>169,708</u>

The deferred shares in the capital of the Company have no rights, powers or benefits attached to them whatsoever and, without limitation, do not confer on the holders of deferred shares any right to vote, to share in a dividend declared by the Company or to appoint a director, provided that on a return of capital on a winding-up or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied first in repayment to the holders of the ordinary shares of the amount paid up on such ordinary shares together with a premium of £10,000 per ordinary share and the balance of such assets shall be distributed among the holders of the ordinary shares and the holders of the deferred shares rateably according to the amount paid up on such shares.

Y.CO GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2015****19 Operating lease commitments****Lessee**

The company has outstanding operating lease commitments in respect of land and buildings.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015 £	2014 £
Within one year	165,600	165,600
Between two and five years	391,200	484,800
In over five years	288,000	360,000
	<u>844,800</u>	<u>1,010,400</u>

20 Related party transactions**Remuneration of key management personnel**

The Group key personnel are not employed by Y.CO Group Limited.

The company has taken advantage of the exemption allowed under Section 33.1A of FRS 102 not to disclose transactions with other wholly owned members of the group.

During the year, Y.CO Group Limited traded with a companies that held the same directors'. The company purchased services amounting to £30,000 (2014: £32,000). The balance owing to the related parties at the year end amounted to £5,400 (2014: £nil).

21 Controlling party

In the opinion of the directors, there was no one controlling party until 22 September 2015 when Fifty Four Four Limited, a company incorporated in England and Wales, acquired a controlling interest in the company. By virtue of his controlling interest in Fifty Four Four Limited, Mr C. Birkett became the ultimate controlling party of Y.CO Group Limited.

Y:CO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

22 Cash generated from operations

	2015	2014
	£	£
Loss for the year after tax	(508,696)	(340,429)
Adjustments for:		
Investment income	(4,404)	(3,778)
Amortisation and impairment of intangible assets	39,264	39,265
Depreciation and impairment of tangible fixed assets	3,224	-
Movements in working capital:		
(Increase)/decrease in debtors	(473,211)	17,099
Provision against third party receivables	152,882	-
Provision against intercompany receivables	350,000	214,818
Increase in creditors	485,029	34,542
Cash generated from/(absorbed by) operations	44,088	(38,483)

Y.CO GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2015**

23 Reconciliations on adoption of FRS 102

The effect on the group and company's reported equity and profits on the transition to FRS 102 is reported below. There were no items requiring adjustment on transition.

Reconciliation of equity

	1 January 2014	31 December 2014
	£	£
Equity as reported under previous UK GAAP and under FRS 102	3,321,756	2,981,327
	<u> </u>	<u> </u>

Reconciliation of profit or loss

	2014 £
Profit or loss as reported under previous UK GAAP and under FRS 102	(340,429)
	<u> </u>