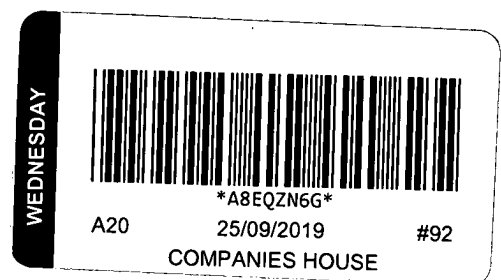


Company Registration No. 05011189 (England and Wales)

**Y.CO GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2018**

**tc** accounts • tax • legal • financial planning

Century House  
Wargrave Road  
Henley-on-Thames  
RG9 2LT



## **Y.CO GROUP LIMITED**

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## **Y.CO GROUP LIMITED**

### **COMPANY INFORMATION**

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**Director** Mr. G. Wright

**Secretary** Mr. R. Crane

**Company number** 05011189

**Registered office** Brigade House  
8 Parsons Green  
London  
SW6 4TN

**Auditor** TC Group  
Century House  
Wargrave Road  
Henley-on-Thames  
RG9 2LT

## **Y.CO GROUP LIMITED**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2018**

---

The director presents the strategic report for the year ended 31 December 2018.

#### **Business Overview**

Y.CO Group Limited is now an intermediate holding company of Y.CO SAM with no trade of its own. The management and the control of the Yachting activities is directed by Fifty Four Four Limited being the ultimate holding company. \*

The company does receive rent from sub-letting its London lease and incurs minor administration costs and has produced a minor loss for the year, see the profit and loss account on page 9.

#### **Financial Overview**

The company reviews the carrying values of loans to and investments in associated businesses and subsidiaries in producing the balance sheet. The Board have assessed that there is no need to make provisions as at 31 December 2018 but in accordance with the accounting policies a review will be carried out each year.

During the year Fifty Four Four Limited's group UK operations relocated to a larger and more suitable premises in London. Y.CO Group Limited continues to hold the lease at Coulson Street which is now sublet. The lease has a break clause in July 2020 when the position will be reviewed. The rental income effectively covers costs and accounts for 90% of the 2018 total turnover.

#### **Key Risks and Uncertainties**

As detailed above the rationalisation of the specific business of Y.CO Group Limited seeks to minimise the companies' risk. The main risk to currency for Y.CO Group Limited is the impact of exchange rates against the rate of the original investments.

The Company also owns the lease as detailed in note 18 and above.

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.

The wider Group prepares working capital forecasts for the foreseeable future, allowing an assessment of the cash requirements of the Company, to manage liquidity risk. The director has considered the risk posed by liquidity and are satisfied that there is sufficient cash resources and equity in the Company.

#### **Going Concern**

After making appropriate enquiries, the Directors consider that the Company and the wider 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 specific outlook for Y.CO Group Limited is that it is an intermediate holding company with 14% minority shareholders within the Fifty Four Four Limited wider group. The company only trades to cover its costs. The aim for 2019 is to continue to simplify the operations and reduce costs to avoid the erosion of company value due to any losses and to exit the existing lease in 2020.

As stated in the director's report the company has significant negative revenue reserves so it cannot pay dividends.

**Y.CO GROUP LIMITED**

**STRATEGIC REPORT (CONTINUED)**

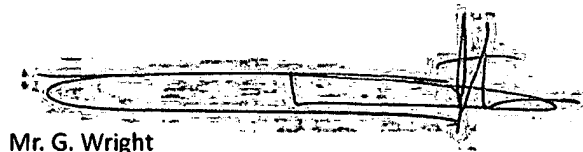
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**Employee Consultation**

Y.CO Group Limited has only two personnel, being a Director and company secretary, as such no employee consultation is required.

On behalf of the board

A handwritten signature in black ink, appearing to be 'G. Wright', written over a faint, horizontal, textured line.

Mr. G. Wright  
Director

Date: 13/9/19

**Y.CO GROUP LIMITED**

**DIRECTOR'S REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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The director presents his annual report and financial statements for the year ended 31 December 2018.

**Principal activities**

The principal activity of the company during the year was that of a management and holding 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

**Results and dividends**

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

No ordinary dividends were paid as the company has no revenue reserves and therefore the director can not recommend payment of a final dividend.

**Director's insurance**

Fifty Four Four Limited maintains insurance policies on behalf of all the directors of the wider group against liability arising from negligence, breach of duty and breach of trust in relation to the company.

**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;
- state whether applicable UK Accounting Standards 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 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.

**Auditor**

TC Group are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

**Y.CO GROUP LIMITED**

**DIRECTOR'S REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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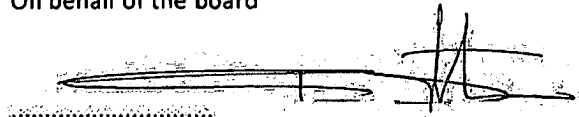
**Statement of disclosure to auditor**

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. G. Wright

Director

Date: 13/9/19

## **Y.CO GROUP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF Y.CO GROUP LIMITED**

---

#### **Opinion**

We have audited the financial statements of Y.CO Group Limited (the 'company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, 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 FRS 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 company's affairs as at 31 December 2018 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.

#### **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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 director's use of the going concern basis of accounting in the preparation of the financial statements is *not appropriate*; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 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.



**Y.CO GROUP LIMITED**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF Y.CO GROUP LIMITED**

---

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- 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; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report.

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

**Responsibilities of director**

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, and for such internal control as the director determines 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 director is responsible for assessing the company'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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

**Auditor's 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 auditor's 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Y.CO GROUP LIMITED**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF Y.CO GROUP LIMITED**

---

**Use of our report**

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 him 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.

*TC Group*

**Michelle Hewitt-Dutton FCCA (Senior Statutory Auditor)**  
**for and on behalf of TC Group**

**Statutory Auditor**  
**Office: Henley-on-Thames**

Date: *19 Sept 2019*

**Y.CO GROUP LIMITED****STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 £	2017 £
Turnover	3	90,119	575,285
Administrative expenses		(95,478)	(523,711)
Operating (loss)/profit	4	(5,359)	51,574
Amounts written off investments	7		447,818
(Loss)/profit before taxation		(5,359)	499,392
Tax on (loss)/profit	8	420	(2,727)
(Loss)/profit for the financial year		(4,939)	496,665

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

The notes on pages 12 to 24 form part of these financial statements

**Y.CO GROUP LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2018**

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	10	12,676		19,479	
Investments	11	2,419,315		2,419,315	
		<u>2,431,991</u>		<u>2,438,794</u>	
<b>Current assets</b>					
Debtors	13	874,140		1,126,680	
Cash at bank and in hand		7,120		5,176	
		<u>881,260</u>		<u>1,131,856</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(32,206)</u>		<u>(283,568)</u>	
<b>Net current assets</b>		<u>849,054</u>		<u>848,288</u>	
<b>Total assets less current liabilities</b>		<u>3,281,045</u>		<u>3,287,082</u>	
<b>Provisions for liabilities</b>	15	<u>(1,629)</u>		<u>(2,727)</u>	
<b>Net assets</b>		<u>3,279,416</u>		<u>3,284,355</u>	
<b>Capital and reserves</b>					
Called up share capital	17	169,708		169,708	
Share premium account		15,378,873		15,378,873	
Profit and loss reserves		<u>(12,269,165)</u>		<u>(12,264,226)</u>	
<b>Total equity</b>		<u>3,279,416</u>		<u>3,284,355</u>	

The financial statements were approved and signed by the director and authorised for issue on 13/9/19

Mr. G. Wright  
Director

Company Registration No. 05011189

The notes on pages 12 to 24 form part of these financial statements

**Y.CO GROUP LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
<b>Balance at 1 January 2017</b>	169,708	15,378,873	(12,760,891)	2,787,690
<b>Year ended 31 December 2017:</b>				
Profit and total comprehensive income for the year			496,665	496,665
<b>Balance at 31 December 2017</b>	169,708	15,378,873	(12,264,226)	3,284,355
<b>Year ended 31 December 2018:</b>				
Loss and total comprehensive income for the year			(4,939)	(4,939)
<b>Balance at 31 December 2018</b>	169,708	15,378,873	(12,269,165)	3,279,416

The notes on pages 12 to 24 form part of these financial statements

## **Y.CO GROUP LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2018**

---

## **1 Accounting policies**

### **Company information**

Y.CO Group Limited (05011189) is a company limited by shares incorporated in England and Wales. The registered office is Brigade House, 8 Parsons Green, London, SW6 4TN.

### **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 are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel and disclosure of transactions between wholly owned members of the group have not been included.

The financial statements of the company are consolidated in the financial statement of Fifty Four Four Limited. These consolidated financial statements are available from, 3 Acorn Business Centre, Northharbour Road, Cosham, Portsmouth, PO6 3TH.

### **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.

**1 Accounting policies**

(Continued)

**1.4 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
--------------------------------	------------------------

**1.5 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.

**1.6 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.

**1.7 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and 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.

**1.8 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 balance sheet 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

---

1 Accounting policies

(Continued)

**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.

**Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

**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.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**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 including creditors and loans from fellow group companies, 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.



**1 Accounting policies**

(Continued)

***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.10 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

---

**1 Accounting policies**

(Continued)

**1.11 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.

**1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

**1.13 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 managements 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 2018**

**3 Turnover and other revenue**

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by class of business</b>		
Management charges	9,000	575,285
Rental income	81,119	
	<u>90,119</u>	<u>575,285</u>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by geographical market</b>		
Europe	90,119	575,285

**4 Operating (loss)/profit**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(7,634)	74,983
Fees payable to the company's auditor for the audit of the company's financial statements	6,000	6,000
Depreciation of owned tangible fixed assets	3,147	7,602
Loss on disposal of tangible fixed assets	3,657	17,143
Amortisation of intangible assets	-	22,906
Impairment of intangible assets	-	234,931
Loss on disposal of intangible assets	-	1
Operating lease charges	75,600	90,000

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £7,634 (2017 - £74,983).

**5 Employees**

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Directors	1	1

**Y.CO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**5 Employees (Continued)**

The company considers the directors to be Key Management Personnel.

**6 Director's remuneration**

	2018	2017
	£	£
<b>Remuneration received via company:</b>		
Directors' fees and salary		
<b>Remuneration received via subsidiary undertakings:</b>		
Directors remuneration	534,997	285,641
Directors' benefits		17,979
Directors' brokerage commissions	119,371	
	654,368	303,620

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

Directors remuneration	534,997	285,641
Directors' benefits		17,979
Directors' brokerage commission	119,371	

**7 Amounts written off investments  
fixed asset investments**

	2018	2017
	£	£
Other gains and losses		447,818

The 2017 amount of £447,818 represents a gain as a result of a provision write back, due to the recoverability of a related party balance.

**8 Taxation**

	2018	2017
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	678	

**Y.CO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**8 Taxation (Continued)**

**Deferred tax**

Origination and reversal of timing differences

(1,098)

2,727

Total tax (credit)/charge

(420)

2,727

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
(Loss)/profit before taxation	(5,359)	499,392
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	(1,018)	96,133
Tax effect of expenses that are not deductible in determining taxable profit	2,506	3,216
Tax effect of income not taxable in determining taxable profit	-	(86,205)
Tax effect of utilisation of tax losses not previously recognised	(1,930)	(17,175)
Deferred tax adjustments in respect of prior years	22	6,758
Taxation (credit)/charge for the year	(420)	2,727

Trade losses of £150,066 (2017 - £160,231) are available to carry forward against future profits.

**9 Impairments**

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2018 £	2017 £
In respect of:			
Intangible assets		-	234,931
Recognised in:			
Administrative expenses		-	234,931

**Y.CO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**10 Tangible fixed assets**

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 January 2018	32,404
Disposals	(14,647)
At 31 December 2018	17,757
<b>Depreciation and impairment</b>	
At 1 January 2018	12,925
Depreciation charged in the year	3,147
Eliminated in respect of disposals	(10,991)
At 31 December 2018	5,081
<b>Carrying amount</b>	
At 31 December 2018	12,676
At 31 December 2017	19,479

**11 Fixed asset investments**

	Notes	2018 £	2017 £
Investments in subsidiaries	12	2,419,315	2,419,315

**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.

**Y.CO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**11 Fixed asset investments (Continued)**

**Movements in fixed asset investments**

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 January 2018 & 31 December 2018	16,826,980
<b>Impairment</b>	
At 1 January 2018 & 31 December 2018	14,407,665
<b>Carrying amount</b>	
At 31 December 2018	2,419,315
At 31 December 2017	2,419,315

**12 Subsidiaries**

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

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held Direct Indirect	
Y.CO 3 SAM	Monaco	Brokerage and Yacht Management services	Ordinary		100.00
YCO SAM	Monaco	Brokerage and Yacht Management services	Ordinary	100.00	

**13 Debtors**

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	873,397	1,103,385
Other debtors	-	23,295
Prepayments and accrued income	743	
	<u>874,140</u>	<u>1,126,680</u>

**Y.CO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**14 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	300	1,400
Amounts owed to group undertakings	-	273,444
Corporation tax	678	-
Other taxation and social security	3,628	-
Other creditors	21,600	-
Accruals and deferred income	6,000	8,724
	<u>32,206</u>	<u>283,568</u>

**15 Provisions for liabilities**

	<b>Notes</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
Deferred tax liabilities	<b>16</b>	<u>1,629</u>	<u>2,727</u>

**16 Deferred taxation**

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Balances:</b>		
ACAs	<u>1,629</u>	<u>2,727</u>
<b>Movements in the year:</b>		<b>2018</b>
		<b>£</b>
Liability at 1 January 2018		2,727
Credit to profit or loss		(1,098)
Liability at 31 December 2018		<u>1,629</u>



**Y.CO GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2018****17 Share capital**

	2018	2017
	£	£
<b>Issued and fully paid</b>		
48,487,789 Ordinary shares of 0.0035p each	169,708	169,708
1,349 Deferred shares of 0.00005p each	<u>          </u>	<u>          </u>
	<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.

**18 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:

	2018	2017
	£	£
Within one year	72,000	72,000
Between two and five years	108,000	180,000
	<u>180,000</u>	<u>252,000</u>

**19 Ultimate controlling party**

The controlling party is Fifty Four Four Limited. Consolidated financial statements are publically available at Companies House, for the controlling party Fifty Four Four Limited (08307724).

The ultimate controlling party is Mr. C. Birkett.

**20 Related party transactions**

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

**Y.CO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**20 Related party transactions**

**(Continued)**

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 companies with the same ultimate parent company. The company invoiced the related companies £60,744 (2017 - £100,515) and received repayments totalling £290,732 from the related companies.

The balance owing from the related parties at the year end amounted to £873,397 (2017 - £1,103,385).

**21 Cross Guarantee**

A Composite Company Unlimited Multilateral Guarantee dated 03 January 2008, was provided to HSBC by YCO Group Limited, YCO S.A.M. and YCO Yacht Limited. At the year end there was no liability with HSBC, in any of the above named entities.