

**Yellow Brick Capital Advisers (UK) Limited**  
**Financial Statements**  
**31 December 2017**



**\*SHEA & CO. LIMITED**  
Chartered accountant & statutory auditor  
105 Stanstead Road  
Forest Hill  
London  
SE23 1HH

# **Yellow Brick Capital Advisers (UK) Limited**

## **Financial Statements**

**Year ended 31 December 2017**

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# **Yellow Brick Capital Advisers (UK) Limited**

## **Officers and Professional Advisers**

### **The board of directors**

Mr J Kol-Bar  
M Kol-Bar  
M C Dwek

### **Registered office**

Bond House  
20 Wood Stock Street  
London  
W1C 2AN

### **Auditor**

Shea & Co. Limited  
Chartered accountant & statutory auditor  
105 Stanstead Road  
Forest Hill  
London  
SE23 1HH

# Yellow Brick Capital Advisers (UK) Limited

## Strategic Report

Year ended 31 December 2017

The purpose of the Strategic report is to inform members of the company and help them assess how the directors have performed their duty under section 172 (duty to promote success of the company).

The company is regulated by the Financial Conduct Authority (FCA). The principal activity of the company during the year continued to be the provision of research, reporting and investment advisory services to clients.

The company also performed project management services for UK companies.

The company recorded a turnover of £781,206 (2016: £730,825) and a profit before tax of £86,085 (2016: £65,965). The directors believe that the company has performed in line with expectations.

In the directors' opinion, the company is not subject to any major financial risks and uncertainties and the disclosure of financial risk management information is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

This report was approved by the board of directors on 19-04-2018 and signed on behalf of the board by:



Mr J Kol-Bar  
Director

Registered office  
Bond House  
20 Wood Stock Street  
London  
W1C 2AN

# **Yellow Brick Capital Advisers (UK) Limited**

## **Directors' Report**

**Year ended 31 December 2017**

The directors present their report and the financial statements of the company for the year ended 31 December 2017.

### **Directors**

The directors who served the company during the year were as follows:

Mr J Kol-Bar  
M Kol-Bar  
M C Dwek

### **Dividends**

Particulars of recommended dividends are detailed in note 13 to the financial statements.

### **Financial instruments**

In the opinion of the directors, the disclosure of the financial risk management objectives of the company is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 19-04-2018 and signed on behalf of the board by:



Mr J Kol-Bar  
Director

Registered office:  
Bond House  
20 Wood Stock Street  
London  
W1C 2AN

# **Yellow Brick Capital Advisers (UK) Limited**

## **Directors' Responsibilities Statement**

**Year ended 31 December 2017**

The directors are responsible for preparing the strategic report, 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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 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 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.

# **Yellow Brick Capital Advisers (UK) Limited**

## **Independent Auditor's Report to the Members of Yellow Brick Capital Advisers (UK) Limited**

**Year ended 31 December 2017**

### **Opinion**

We have audited the financial statements of Yellow Brick Capital Advisers (UK) Limited (the 'company') for the year ended 31 December 2017 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have 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.

# **Yellow Brick Capital Advisers (UK) Limited**

## **Independent Auditor's Report to the Members of Yellow Brick Capital Advisers (UK) Limited *(continued)***

**Year ended 31 December 2017**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

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

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' 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 or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.



# **Yellow Brick Capital Advisers (UK) Limited**

## **Independent Auditor's Report to the Members of Yellow Brick Capital Advisers (UK) Limited *(continued)***

**Year ended 31 December 2017**

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 directors either intend to liquidate the company or to cease operations, or have 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

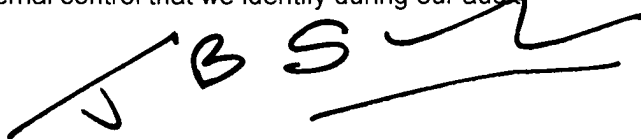
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# Yellow Brick Capital Advisers (UK) Limited

## Independent Auditor's Report to the Members of Yellow Brick Capital Advisers (UK) Limited *(continued)*

Year ended 31 December 2017

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink, appearing to read 'J B Shea', with a long horizontal line extending from the end of the signature.

J B Shea (Senior Statutory Auditor)

For and on behalf of  
Shea & Co. Limited  
Chartered accountant & statutory auditor  
105 Stanstead Road  
Forest Hill  
London  
SE23 1HH

20.4.2018

# Yellow Brick Capital Advisers (UK) Limited

## Statement of Comprehensive Income

Year ended 31 December 2017

	Note	2017 £	2016 £
<b>Turnover</b>	<b>4</b>	<b>781,206</b>	730,825
<b>Gross profit</b>		<b>781,206</b>	730,825
Administrative expenses		<b>836,493</b>	689,603
Other operating income	<b>5</b>	<b>141,667</b>	24,738
<b>Operating profit</b>	<b>6</b>	<b>86,380</b>	65,960
Other interest receivable and similar income	<b>10</b>	–	5
Interest payable and similar expenses	<b>11</b>	<b>295</b>	–
<b>Profit before taxation</b>		<b>86,085</b>	65,965
Tax on profit	<b>12</b>	<b>13,859</b>	21,140
<b>Profit for the financial year and total comprehensive income</b>		<b>72,226</b>	44,825

All the activities of the company are from continuing operations.

The notes on pages 13 to 21 form part of these financial statements.

# Yellow Brick Capital Advisers (UK) Limited

## Statement of Financial Position

31 December 2017

	Note	2017 £	£	2016 £
<b>Fixed assets</b>				
Tangible assets	14		26,945	—
<b>Current assets</b>				
Debtors	15	270,330		368,430
Cash at bank and in hand		<u>19,993</u>		<u>36,282</u>
		290,323		404,712
<b>Creditors: amounts falling due within one year</b>	16	<u>259,496</u>		<u>354,366</u>
<b>Net current assets</b>			<u>30,827</u>	<u>50,346</u>
<b>Total assets less current liabilities</b>			<u>57,772</u>	<u>50,346</u>
<b>Net assets</b>			<u>57,772</u>	<u>50,346</u>
<b>Capital and reserves</b>				
Called up share capital	19		50,000	50,000
Profit and loss account	20		<u>7,772</u>	<u>346</u>
<b>Shareholders funds</b>			<u>57,772</u>	<u>50,346</u>

These financial statements were approved by the board of directors and authorised for issue on 19-04-2018 and are signed on behalf of the board by:

Mr J Kol-Bar  
Director

Company registration number: 06942502

The notes on pages 13 to 21 form part of these financial statements.

# Yellow Brick Capital Advisers (UK) Limited

## Statement of Changes in Equity

Year ended 31 December 2017

		Called up share capital £	Profit and loss account £	<b>Total £</b>
<b>At 1 January 2016</b>		50,000	8,321	58,321
Profit for the year		—	44,825	44,825
<b>Total comprehensive income for the year</b>		—	44,825	44,825
Dividends paid and payable	<b>13</b>	—	(52,800)	(52,800)
<b>Total investments by and distributions to owners</b>		—	(52,800)	(52,800)
<b>At 31 December 2016</b>		50,000	346	<b>50,346</b>
Profit for the year		—	72,226	72,226
<b>Total comprehensive income for the year</b>		—	72,226	72,226
Dividends paid and payable	<b>13</b>	—	(64,800)	(64,800)
<b>Total investments by and distributions to owners</b>		—	(64,800)	(64,800)
<b>At 31 December 2017</b>		<u>50,000</u>	<u>7,772</u>	<u><b>57,772</b></u>

The notes on pages 13 to 21 form part of these financial statements.

# Yellow Brick Capital Advisers (UK) Limited

## Statement of Cash Flows

Year ended 31 December 2017

	2017 £	2016 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	72,226	44,825
<i>Adjustments for:</i>		
Depreciation of tangible assets	388	—
Other interest receivable and similar income	—	(5)
Interest payable and similar expenses	295	—
Loss on disposal of tangible assets	—	23,923
Tax on profit	13,859	21,140
Accrued income	(66,603)	(1,038)
<i>Changes in:</i>		
Trade and other debtors	142,100	(120,373)
Trade and other creditors	(14,498)	101,073
Cash generated from operations	147,767	69,545
Interest paid	(295)	—
Interest received	—	5
Tax paid	(21,339)	(6,055)
Net cash from operating activities	<u>126,133</u>	<u>63,495</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(27,333)	—
Proceeds from sale of tangible assets	—	2,910
Net cash (used in)/from investing activities	<u>(27,333)</u>	<u>2,910</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	(50,289)	(75,352)
Dividends paid	(64,800)	(52,800)
Net cash used in financing activities	<u>(115,089)</u>	<u>(128,152)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(16,289)</b>	<b>(61,747)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>36,282</b>	<b>98,029</b>
<b>Cash and cash equivalents at end of year</b>	<b><u>19,993</u></b>	<b><u>36,282</u></b>

The notes on pages 13 to 21 form part of these financial statements.

# **Yellow Brick Capital Advisers (UK) Limited**

## **Notes to the Financial Statements**

**Year ended 31 December 2017**

### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Bond House, 20 Wood Stock Street, London, W1C 2AN.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets

#### **Other financial statements information**

The principal activity of the company is that the provision of research, reporting and investment advisory services to clients.

The company is a private company limited by shares and incorporated in England and Wales.

The company's registered office is Bond House, 20 Woodstock Street, London W1C 2AN

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Revenue recognition**

The turnover shown in the profit and loss account represents the amount of work done during the year.

# **Yellow Brick Capital Advisers (UK) Limited**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 December 2017**

### **3. Accounting policies** *(continued)*

#### **Revenue recognition** *(continued)*

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

#### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **Foreign currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% reducing balance
Equipment	-	20% reducing balance



# Yellow Brick Capital Advisers (UK) Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 3. Accounting policies *(continued)*

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

#### Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 4. Turnover

Turnover arises from:

	2017	2016
	£	£
Rendering of services	<u>781,206</u>	<u>730,825</u>

# Yellow Brick Capital Advisers (UK) Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 4. Turnover *(continued)*

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2017 £	2016 £
United Kingdom	628,924	390,179
Overseas	152,282	340,646
	<u>781,206</u>	<u>730,825</u>

### 5. Other operating income

	2017 £	2016 £
Other operating income	<u>141,667</u>	<u>24,738</u>

### 6. Operating profit

Operating profit or loss is stated after charging:

	2017 £	2016 £
Depreciation of tangible assets	388	–
Loss on disposal of tangible assets	–	23,923
Impairment of trade debtors	10,715	–
Foreign exchange differences	<u>154</u>	<u>1,411</u>

### 7. Auditor's remuneration

	2017 £	2016 £
Fees payable for the audit of the financial statements	<u>9,200</u>	<u>9,200</u>
Fees payable to the company's auditor and its associates for other services:		
Other non-audit services	<u>12,611</u>	<u>8,000</u>

### 8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2017 No.	2016 No.
Administrative staff	6	4
Management staff	<u>3</u>	<u>3</u>
	<u>9</u>	<u>7</u>

# Yellow Brick Capital Advisers (UK) Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 8. Staff costs *(continued)*

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017	2016
	£	£
Wages and salaries	231,717	165,147
Social security costs	19,785	14,128
Other pension costs	1,258	—
	<u>252,760</u>	<u>179,275</u>

### 9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2017	2016
	£	£
Remuneration	<u>29,750</u>	<u>51,600</u>

### 10. Other interest receivable and similar income

	2017	2016
	£	£
Interest on cash and cash equivalents	<u>—</u>	<u>5</u>

### 11. Interest payable and similar expenses

	2017	2016
	£	£
Interest on banks loans and overdrafts	<u>295</u>	<u>—</u>

### 12. Tax on profit

#### Major components of tax expense

	2017	2016
	£	£
<b>Current tax:</b>		
UK current tax expense	<u>13,859</u>	<u>21,140</u>
<b>Tax on profit</b>	<u>13,859</u>	<u>21,140</u>

# Yellow Brick Capital Advisers (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2017

#### 12. Tax on profit *(continued)*

##### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2016: higher than) the standard rate of corporation tax in the UK of 19% (2016: 20%).

	2017 £	2016 £
Profit on ordinary activities before taxation	<b>86,085</b>	65,965
Profit on ordinary activities by rate of tax	<b>17,217</b>	13,194
Adjustment to tax charge in respect of prior periods	<b>199</b>	–
Effect of expenses not deductible for tax purposes	<b>2,366</b>	2,918
Effect of capital allowances and depreciation	<b>(5,389)</b>	5,028
Effect of different UK tax rates on some earnings	<b>(534)</b>	–
Tax on profit	<b>13,859</b>	21,140

#### 13. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2017 £	2016 £
Equity dividends on ordinary shares	<b>64,800</b>	52,800

#### 14. Tangible assets

	Equipment £	Total £
<b>Cost</b>		
At 1 January 2017	–	–
Additions	27,333	<b>27,333</b>
<b>At 31 December 2017</b>	<b>27,333</b>	<b>27,333</b>
<b>Depreciation</b>		
At 1 January 2017	–	–
Charge for the year	388	<b>388</b>
<b>At 31 December 2017</b>	<b>388</b>	<b>388</b>
<b>Carrying amount</b>		
<b>At 31 December 2017</b>	<b>26,945</b>	<b>26,945</b>
At 31 December 2016	–	–

# Yellow Brick Capital Advisers (UK) Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 15. Debtors

	2017	2016
	£	£
Trade debtors	7,648	109,572
Prepayments and accrued income	116,203	69,970
Rent deposit	59,670	119,340
Other debtors	86,809	69,548
	<u>270,330</u>	<u>368,430</u>

### 16. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	60,747	109,103
Accruals and deferred income	103,182	125,785
Corporation tax	13,660	21,140
Social security and other taxes	24,775	28,794
Director loan accounts	9,486	59,775
Other creditors	47,646	9,769
	<u>259,496</u>	<u>354,366</u>

### 17. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £1,258 (2016: £Nil).

### 18. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2017	2016
	£	£
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Trade debtors	7,648	109,572
Other debtors	86,809	69,548
	<u>94,457</u>	<u>179,120</u>
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	60,747	109,103
Accruals	103,182	125,785
Other creditors	47,646	9,769
	<u>211,575</u>	<u>244,657</u>

**Year ended 31 December 2017**

**Issued, called up and fully paid**

## 20. Reserves

## 21. Operating leases

## 22. Directors' advances, credits and guarantees

2017			
	Balance brought forward	Amounts repaid	Balance outstanding
	£	£	£
Mr J Kol-Bar	(59,775)	50,289	(9,486)
2016			
	Balance brought forward	Amounts repaid	Balance outstanding
	£	£	£
Mr J Kol-Bar	(135,127)	75,352	(59,775)

# **Yellow Brick Capital Advisers (UK) Limited**

## **Notes to the Financial Statements** *(continued)*

### **Year ended 31 December 2017**

#### **23. Related party transactions**

The company was under the control of Mr J Kol-Bar throughout the current period. Mr Jonathan Kol-Bar is the managing director. J Kol-Bar and M Kol-Bar hold a majority interest in the shares of the company. J Kol-Bar and M Kol-Bar had 100% interest in the dividend paid during the year.

Turnover includes £313,500 transactions with Yellow Brick Estate II Ltd. Trade debtors include £0 (£56,985 2016) and Other Debtors include £4,674.32 due from Yellow Brick Estates II Ltd.

Turnover includes £254,331.48 transactions with Yellow Brick Estates Limited, a company controlled by J Kol-Bar and M Kol-Bar. Trade debtors include £0 (£15,900 2016) and Other Debtors include £118.27 due from Yellow Brick Estates Limited.

Administrative expenses include £41,098 transactions with Yellow Brick Capital Advisers (US) LLC. Trade creditors include £40,488.74 owed to Yellow Brick Capital Advisers (US) LLC which is a sister company.

## **AUDITOR'S REPORT ON CLIENT ASSETS UNDER SUP 3.10**

**Limited Assurance Report on client assets by the Independent Auditor to the Financial Conduct Authority ("the FCA") in respect of Yellow Brick Capital Advisers (UK) Limited, FCA reference 509645**

We report in respect of Yellow Brick Capital Advisers (UK) Limited ("the firm") on the matters set out below for the period started 1 January 2017 and ended 31 December 2017.

Our report has been prepared in accordance with SUP 3.10.4R and is addressed to the FCA in its capacity as regulator under the Financial Services and Markets Act 2000. This report is made solely to the FCA, in accordance with the terms of SUP 3.10.4R of the FCA Handbook. Our work has been undertaken so that we might state to the FCA those matters which we are required to state to it in an auditor's client assets 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 FCA, for our work, for this report, or for the opinions we have formed. Our report should not be disclosed to any third party or otherwise quoted or referred to without our prior written consent.

### **Basis of opinion**

We have carried out such procedures as we have considered necessary for the purposes of this report in accordance with the guidance set out in Bulletin 2011 / 2 and Bulletin 3 issued by the Financial Reporting Council.

The opinions relate only to the period, or as at the date, specified. The opinions do not provide assurance in relation to any future period or date.

### **Clean opinion**

The scope of the firm's permission does not allow it to hold or control client money or custody assets.

The directors have stated that the firm did not hold or control client money or custody assets during the period. Based on review procedures performed, nothing has come to our attention that causes us to believe that the firm held client money or custody assets during the period.



J B Shea

For and on behalf of Shea & Co. Limited  
Chartered Accountants and Statutory Auditors

Date: 20<sup>th</sup> April 2018