

FINANCE YORKSHIRE EQUITY GP LIMITED

Registered number 07174427

Strategic Report, Director's Report and Financial Statements

For the year ended 31 March 2019



FINANCE YORKSHIRE EQUITY GP LIMITED

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FINANCE YORKSHIRE EQUITY GP LIMITED

Company Information

Directors, Registered Office and Advisers

Directors Vivian D Hallam
Jonathan D Freeman

Registration number 07174427 (England and Wales)

Registered office One, Fleet Place
London
EC4M 7WS

Advisers **Principal Bankers**
HSBC Bank plc
60 Queen Victoria Street
London
EC4N 4TR

Strategic Report

The director presents his strategic report for the year ended 31 March 2019.

Business Model and Strategy

The principal activity of the Company is acting as the General Partner to The Finance Yorkshire Equity LP Fund. The initial £43 million fund investment activity commenced in January 2011 and ceased on 31 December 2014. A further £5.1 million was made available to invest from January 2015 with an additional £3.8 million being made available in January 2016 and a further £1.9 million being made available in January 2017. The management of the portfolio continues until 2019.

As the company is the General Partner of the Finance Yorkshire Equity LP Fund, it has minimal cash requirements with management fee income being received to cover the majority of overheads. Based on the company's forecasts and projections, and taking into account reasonable possible changes in trading performance, the director is confident that the company has sufficient funding in place for the next twelve months and beyond. As a consequence of the above, the director believes the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly the director has adopted the going concern basis in preparing the annual report and financial statements.

Key performance indicators (KPI's)

Due to the nature of the business, the Company's director is of the opinion that analysis using financial KPI's is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The business consists exclusively of a contract to manage The Finance Yorkshire Equity LP Fund and is therefore subject to certain risks in the event of termination. The principal risks and uncertainties are integrated with the principal risks and uncertainties of the larger group and are not managed separately. Further information on principal risks and uncertainties at a Group level are disclosed in the consolidated financial statements of Braveheart Investment Group plc.

By order of the Board



Jonathan D Freeman

Director

31 July 2019

Director's Report

The director presents his report and the unaudited financial statements of the Company for the year ended 31 March 2019.

Results and dividends

The results of the Company are set out on page 6.

The director does not recommend the payment of a dividend for the year ended 31 March 2019 (2018: £nil).

Share capital

The authorised share capital of the Company consists of 1 ordinary share of £1 each, all of which has been allotted, issued and fully paid.

The Company is not exposed to any externally imposed capital requirements.

The entire issued share capital of the Company is held by Viking Fund Managers Limited.

Appointment and replacement of a director

The Company may by special resolution appoint a person who is willing to act as a director, either to fill a vacancy or in addition to the existing director. The holders of the shareholder majority may at any time, and from time to time, appoint any person to be a director of the Company or remove from office any director.

A director is not required to retire by rotation.

Director

The directors at 31 March 2019, who served throughout the year, except as stated, are set out on page 1.

No director has any beneficial interest in the share capital of the Company.

Charitable and political donations

No charitable or political donations have been made during the financial year (2018: £nil).

Going concern

The director has reviewed the Company's budgets and plans and is satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and that it is therefore appropriate to continue to adopt the going concern basis in preparing the financial statements.

Director's responsibilities

The director is responsible for preparing the financial statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards (IFRS) as adopted by the European Union.

The director is required to prepare financial statements for each financial year, which give a true and fair view of the financial position of the Company and the financial performance and cash flow of the Company for that year. In preparing those financial statements, the director is required to:

1. select suitable accounting policies and then apply them consistently;
2. present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
3. provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance;
4. state that the Company has complied with IFRS, subject to any material departures disclosed and explained in the financial statements;
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business; and
6. make judgements and estimates that are reasonable and prudent.

The director is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable him 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.

By order of the Board



Jonathan D Freeman

Director

31 July 2019

Finance Yorkshire Equity GP Limited

Statement of Comprehensive Income
for the year ended 31 March 2019

	Notes	2019 £	2018 £
Priority Profit Share	3	337,453	524,250
Total income		337,453	524,250
Operating costs		(337,453)	(524,250)
Total costs		(337,453)	(524,250)
Result before tax		-	-
Tax	6	-	-
Result and total comprehensive income for the year		-	-

The accompanying accounting policies and notes form part of these financial statements.

Finance Yorkshire Equity GP Limited

Statement of Financial Position
as at 31 March 2019

	Notes	2019 £	2018 £
Current assets			
Trade and other receivables	7	1	1
Cash and cash equivalents	8	455	452
		<u>456</u>	<u>453</u>
Total assets		<u>456</u>	<u>453</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	(37)	(34)
		<u>(37)</u>	<u>(34)</u>
Total liabilities		<u>(37)</u>	<u>(34)</u>
Net assets		<u>419</u>	<u>419</u>
EQUITY			
Called up share capital	10	1	1
Retained earnings		418	418
Total equity		<u>419</u>	<u>419</u>

Registered number: 07174427 (England and Wales)

For the year ended 31 March 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

Approved for issue by the Board of Directors on 31 July 2019 and signed on its behalf by:



Jonathan D Freeman
Director

The accompanying accounting policies and notes form part of these financial statements.

Finance Yorkshire Equity GP Limited

Notes to the Financial Statements
For the year ended 31 March 2019

Statement of Changes in Equity
as at 31 March 2019

	Share Capital	Retained Earnings	Total
	£	£	£
At 1 April 2017	1	418	419
Profit/(loss) and total comprehensive income for the year	-	-	-
At 1 April 2018	1	418	419
Profit/(loss) and total comprehensive income for the year	-	-	-
At 31 March 2019	1	418	419

Finance Yorkshire Equity GP Limited

Notes to the Financial Statements For the year ended 31 March 2019

The accompanying accounting policies and notes form part of these financial statements.

1 Corporate information

The financial statements of Finance Yorkshire Equity GP Limited for the year ended 31 March 2019 were authorised for issue by the Board of the Directors on 31 July 2019 and the statement of financial position was signed on the Board's behalf by Jonathan Freeman.

Finance Yorkshire Equity GP Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The nature of its operations is set out in the Strategic Report. The Company is registered in England and Wales.

2 Accounting policies

(a) Basis of preparation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union as they apply to financial statements for the year ended 31 March 2019 and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the Company are set out in the following notes.

The financial statements have been prepared on a historical cost basis, except where otherwise indicated. The financial statements are presented in sterling and all values are rounded to the nearest pound (£) except where otherwise indicated. A statement of cash flows has not been prepared as there has been no movement during the current or prior year.

The director has reviewed the Company's budgets and plans and is satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and that it is therefore appropriate to continue to adopt the going concern basis in preparing the financial statements.

(b) Changes in accounting policy and disclosures

There were no additional standards, amendments and interpretations that had a material impact on the Company's financial statements during the year.

(c) New standards and interpretations not yet applied

The International Accounting Standards Board has issued the following standards with an effective date after the date of these financial statements:

IFRS 15 was issued on 28 May 2014 and provides a single global standard on revenue recognition which aligns the IFRS and US GAAP guidance. It replaces existing revenue recognition guidance, including IAS 18 revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. The Company has assessed the potential impact on its financial statements resulting from the application of IFRS 15 and does not foresee any material effect when the Standard is applied. IFRS 15 is effective for annual periods beginning on or after from 1 January 2018, with early adoption permitted. The Directors do not intend to adopt the standard early.

None of the other new standards, interpretations and amendments not yet effective is expected to have a material effect on the Company's future financial statements.

(d) Use of estimates and assumptions

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Where management's judgement has been applied, this is noted in the relevant accounting policy.

(e) Revenue recognition and segmental reporting

Revenue represents income generated by operating as the General Partner of The Finance Yorkshire Equity Fund. Revenue is recognised at the fair value of the consideration received or receivable on fee income. Fees are recognised as that service is provided.

The business is regarded as one segment due to the nature of services provided and the methods used to provide these services. All operations are conducted in the United Kingdom.

Finance Yorkshire Equity GP Limited

Notes to the Financial Statements
For the year ended 31 March 2019

(f) Financial assets

Financial assets are recognised when the Company becomes party to the contracts that give rise to them. Financial assets cease to be recognised when the rights to receive cash flows from the asset have expired or the Company has transferred substantially all the risks and rewards of the asset.

- **Trade receivables**

Trade receivables are initially recognised at fair value which is normally the invoice value in short term receivables. Thereafter the receivables are carried at amortised cost. Provision is made where there is objective evidence that a balance will not be recovered in full in accordance with the instruments original terms. An impairment calculation is based on a comparison between the carrying amount and the net present value of expected future cash flows, discounted by the original effective rate.

- **Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and short-term bank deposits.

(g) Financial liabilities

Financial liabilities, which comprise trade and other payables, are initially recognised at fair value and are carried at amortised cost.

(h) Share capital

Financial instruments issued by the Company are treated as equity if the holders have only a residual interest in the Company's assets after deducting all liabilities. The Company considers its capital to comprise its share capital and retained earnings. Further information regarding Group capital management policies are disclosed in the consolidated financial statements of Braveheart Investment Group plc.

3 Revenue

All revenue arose within the United Kingdom.

	2019	2018
	£	£
Priority Profit Share	337,453	524,250

4 Employee benefits expense

The director did not receive remuneration for services to the company for the year ended 31 March 2019 or for the year ended 31 March 2018.

5 Profit/loss for the period

The audit fee of the company is borne by the ultimate parent company in respect of the prior period.

6 Taxation on ordinary activities

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2019 or for the year ended 31 March 2018.

7 Trade and other receivables

	2019	2018
	£	£
Amounts due from related parties	1	1

Due to the short-term maturity of trade receivables, the director considers the carrying amounts to approximate their fair value. All receivables are non-interest bearing and unsecured.

Finance Yorkshire Equity GP Limited

**Notes to the Financial Statements
For the year ended 31 March 2019**

8 Cash and cash equivalents

	2019	2018
	£	£
Cash at bank and on hand	455	452

Cash balances are held with HSBC Bank plc and earn interest at floating rates based on daily bank deposit rates.

9 Trade and other payables

	2019	2018
	£	£
Other payables	37	34

Due to the short-term maturity of trade payables, the director considers the carrying amounts to approximate their fair value. Trade payables are non-interest bearing and are normally settled on 30-day terms.

10 Share capital

	2019	2018
	£	£
<i>Authorised, allotted, called up and fully paid</i> 1 ordinary share of £1 each	1	1

11 Controlling party

The Company's parent is Viking Fund Managers Limited, a company incorporated in the United Kingdom and the ultimate parent company is Braveheart Investment Group plc, a plc company incorporated in the United Kingdom. This is the largest and smallest group undertaking into whose consolidated accounts the company's financial information is consolidated. Copies of the consolidated financial statements of Braveheart Investment Group plc are available from the Registered Office at 1 George Square, Glasgow, Scotland, G2 1AL.

12 Related party disclosure

During the year Viking Fund Managers Limited recharged £337,453 (2018: £524,250) to Finance Yorkshire Equity GP Limited in respect of employee benefit expense.

13 Financial risk management objectives and policies

The financial risk that the company is exposed to is minimal due to the limited transactions undertaken in the year to 31 March 2019.