

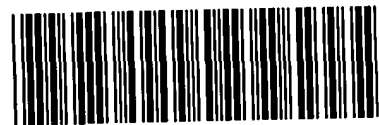
# **PrimeStone Capital Services (UK) Limited**

Registered number: 09006336

## **Director's report and audited financial statements**

For the year ended 31 March 2023

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## Contents

	<b>Page</b>
Company information	1
Director's report	2 - 3
Statement of director's responsibilities	4
Independent auditor's report	5 – 8
Statement of comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Statement of cash flows	12
Notes to the financial statements	13 – 23

PrimeStone Capital Services (UK) Limited

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Registered number: 09006336

## Company information

<b>Director</b>	Mr Neil David Townson
<b>Registered office</b>	17a Curzon Street London United Kingdom W1J 5HS
<b>Independent auditor</b>	Moore Kingston Smith, LLP 6 <sup>th</sup> Floor 9 Appold Street London United Kingdom EC2A 2AP

## **Director's report**

### **For the year ended 31 March 2023**

The director presents his report and the audited financial statements of PrimeStone Capital Services (UK) Limited (the "Company") for the year ended 31 March 2023. The director has taken advantage of the exemption from preparing a strategic report that is available to small companies under section 414 (b) of the Companies Act 2006.

#### **Principal activity**

The Company is a corporate member of, and service provider to, PrimeStone Capital LLP (the "LLP"). The principal activity of the Company is to provide infrastructure support to the LLP.

The director does not anticipate any change in the nature of the Company's activities in the foreseeable future.

#### **Future developments**

There are no plans which will significantly change the activities and risks of the Company.

#### **Results and dividends**

The results for the year and the financial position of the Company at the year end, as detailed on pages 9 and 10 respectively, were considered satisfactory by the director and were in line with his expectations.

No dividend was declared or recommended during the year or up to the date of signing the financial statements.

#### **Directors**

The director who served during the year and up to the date of this report was:

Mr Neil David Townson

#### **Key performance indicators ("KPIs")**

Given the straightforward nature of the business, the director is of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

#### **Principal risks and uncertainties**

The key business risks and uncertainties affecting the business relate to the performance of funds managed by the Company's immediate parent undertaking, PrimeStone Capital Management SLP, an entity incorporated in Jersey. Investment advisory services are provided to PrimeStone Capital Management SLP by PrimeStone Capital LLP, with whom the Company has an on-going agreement to provide infrastructure support.

The Company is not exposed to any significant price, credit, liquidity or cash flow risk.

## **Director's report (continued)**

### **For the year ended 31 March 2023**

#### **Statement of disclosure of information to auditors**

The director at the time when this director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **Conflict in Ukraine**


The recent events in Ukraine and the subsequent international sanctions imposed on Russian and Belarusian businesses and individuals could have a wide-ranging impact on the global economy. However, the Company does not have a portfolio company presence in these jurisdictions and neither any material indirect links to them. The director currently does not anticipate any adverse impact on our business from the current sanctions regime but will continue to monitor the events and any associated impact.

#### **Independent auditor**

The auditor, Moore Kingston Smith LLP, have indicated their willingness to continue in office. A resolution concerning their re-appointment will be proposed at the shareholders' meeting to approve these financial statements.

The director's report has been prepared in accordance with the small companies regime.

This report was approved by the director.



.....  
**Mr Neil David Townson**  
Director

Date: 26 July 2023

## **Statement of director's responsibilities**

### **For the year ended 31 March 2023**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102"). Under company law the director must not approve the financial statements unless 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, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF PRIMESTONE CAPITAL SERVICES (UK) LIMITED**

### **Opinion**

We have audited the financial statements of PrimeStone Capital Services (UK) Limited (the 'Company') which comprise the Statement of Comprehensive Income for the year ended 31 March 2023, the Statement of Financial Position as at 31 March 2023, the Statement of Changes in Equity, the Statement of Cash Flows, for the year then ended, and Notes to the financial statements, including 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 March 2023 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**

In auditing the financial statements, we have concluded that the director's' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF PRIMESTONE CAPITAL SERVICES (UK) LIMITED (CONTINUED)**

### **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. The director is responsible for the other information contained within the annual report. 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 course of 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 themselves. 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report have been prepared in accordance with applicable legal requirements.

The Company's director has taken advantage of the exemption from preparing a strategic report that is available to small companies under section 414B of the Companies Act 2006.

### **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 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 set out on page 4, 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 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 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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF PRIMSTONE CAPITAL SERVICES (UK) LIMITED (CONTINUED)**

### **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 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 judgement 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 purposes of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's 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.

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.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.



**MOORE Kingston Smith**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF PRIMESTONE CAPITAL SERVICES (UK) LIMITED (CONTINUED)**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the Company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**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 for no purpose other than to draw to the attention of the Company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the Company and Company's members as a body, for our work, for this report, or for the opinions we have formed.

DocuSigned by:

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**Ian Matthews**

For and on behalf of Moore Kingston Smith, statutory auditor  
London, UK

27/7/2023 | 12:47 AM PDT

**Statement of comprehensive income**  
**For the year ended 31 March 2023**

	Notes	2023 £	2022 £
Turnover	4, 19	660,735	627,281
Administrative expenses		(660,735)	(627,281)
<b>Operating profit</b>		-	-
Interest receivable and similar income		-	1,053
Profit allocation from investments	11, 19	153,605	113,258
<b>Profit before tax</b>	5	153,605	114,311
Taxation	9	(37,407)	(19,437)
<b>Profit for the year</b>		116,198	94,874
<b>Total comprehensive income for the year</b>		116,198	94,874

All amounts relate to continuing operations.

The notes on pages 13 to 23 form an integral part of these financial statements.

# Statement of financial position

As at 31 March 2023

	Notes	2023 £	2022 £
<b>Non-current assets</b>			
Fixed assets	10	6,565	6,978
Investments	11	1,150,000	1,150,000
Debtors: amounts falling due in more than one year	12	38,660	38,660
		<u>1,195,225</u>	<u>1,195,638</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	13, 19	474,570	484,574
Cash and cash equivalents		56,154	216,285
		<u>530,724</u>	<u>700,859</u>
<b>Creditors: amounts falling due within one year</b>	14, 19	<u>(611,119)</u>	<u>(897,865)</u>
<b>Net current liabilities</b>		(80,395)	(197,006)
<b>Net assets</b>		<u>1,114,830</u>	<u>998,632</u>
<b>Capital and reserves</b>			
Called up share capital	16	1,150,000	1,150,000
Accumulated Deficit		<u>(35,170)</u>	<u>(151,368)</u>
		<u>1,114,830</u>	<u>998,632</u>

The financial statements on pages 9 to 23 were approved by the board and signed on its behalf by:



.....  
**Mr Neil David Townson**  
 Director

Date: 26 July 2023

The notes on pages 13 to 23 form an integral part of these financial statements.

**Statement of changes in equity**  
**As at 31 March 2023**

	<i>Called up share capital</i> £	<i>Accumulated Deficit</i> £	<i>Total shareholder's funds</i> £
<b>At 1 April 2021</b>	1,150,000	(246,242)	903,758
Total comprehensive income for the year	-	94,874	94,874
<b>At 31 March 2022</b>	1,150,000	(151,368)	998,632
Total comprehensive income for the year	-	116,198	116,198
<b>At 31 March 2023</b>	1,150,000	(35,170)	1,114,830

The notes on pages 13 to 23 form an integral part of these financial statements.

**Statement of cash flows**  
**For the year ended 31 March 2023**

	<i>Note</i>	<b>2023</b> £	<b>2022</b> £
<b>Cash flows from operating activities</b>			
Profit for the year		116,198	94,874
<b>Adjustments for:</b>			
Interest receivable and similar income		-	(1,053)
Taxation	9	37,407	19,437
Depreciation of tangible fixed assets	10	5,667	7,348
Corporation tax paid		(25,961)	(12,413)
Decrease in debtors		4,180	17,166
Decrease in creditors		(292,368)	(76,848)
<b>Net cash (used in)/generated from operating activities</b>		<b>(154,877)</b>	<b>48,511</b>
<b>Cash flows from investing activities</b>			
Interest received		-	1,053
Purchase of tangible fixed assets	10	(5,254)	(5,797)
<b>Net cash used in investing activities</b>		<b>(5,254)</b>	<b>(4,744)</b>
Cash and cash equivalents at the beginning of the year		216,285	172,518
Net (decrease)/increase in cash and cash equivalents during the year		(160,131)	43,767
<b>Cash and cash equivalents at the end of year</b>		<b>56,154</b>	<b>216,285</b>

As the Company has no debt, an analysis of changes in net debt has not been presented.

The notes on pages 13 to 23 form an integral part of these financial statements.

## **Notes to the financial statements**

**For the year ended 31 March 2023**

### **1. General information**

PrimeStone Capital Services (UK) Limited ("the Company") is a limited company incorporated in England and Wales. The address of the Company's registered office address and place of business is 17a Curzon Street, London, United Kingdom, W1J 5HS.

### **2. Accounting policies**

#### **2.1 Statement of compliance**

The financial statements have been prepared using the going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

#### **2.2 Going concern**

The director is of the opinion that the Company continues to have adequate resources to continue its operational activities and to meet its liabilities as they fall due for the foreseeable future. This assertion is based on cash flow forecasts and budgets which extend 12 months from the date of sign off. Therefore, the going concern basis is adopted in the preparation of these financial statements.

#### **2.3 Basis of preparation of financial statements**

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies as detailed in note 3.

The following principal accounting policies have been applied:

#### **2.4 Revenue recognition**

Revenue is recognised on an accruals basis to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes.

#### **2.5 Expense recognition**

Expenses are recognised on an accruals basis.

#### **2.6 Operating leases**

Rentals paid under operating leases are charged to the statement of comprehensive income under administrative expenses on a straight-line basis over the term of the lease.

## **Notes to the financial statements (continued)**

### **For the year ended 31 March 2023**

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

### **2.7 Foreign currency translation**

The Company's functional and presentational currency is pound sterling. Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

### **2.8 Taxation and deferred taxation**

Tax is recognised in the statement of comprehensive income. The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### **2.9 Tangible fixed assets**

Tangible fixed assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The useful lives are estimated as follows:

Fixtures and fittings	-	3 years
Office equipment	-	3 years
Leasehold improvements	-	Over the term of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the Statement of comprehensive income.

## **Notes to the financial statements (continued)**

### **For the year ended 31 March 2023**

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

### **2.10 Financial instruments**

#### Financial assets

The Company's financial assets comprise basic financial instruments, being debtors, cash and cash equivalents and investments in unlisted entities.

Debtors are measured at amortised cost less any impairment loss. An impairment loss is measured as the difference between an asset's carrying amount and recoverable amount, which is based on present value of estimated cash flows. Any impairment losses are recognised in the statement of comprehensive income.

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of no more than 24 hours. The Company does not hold any cash in hand and cash equivalents.

Financial assets are derecognised when contractual rights to the cash flows from the financial asset expire or are settled, or when substantially all the risks and rewards of ownership have been transferred.

#### Financial liabilities

The Company's financial liabilities comprise basic financial liabilities, being trade and other creditors. These are measured at amortised cost.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### Offsetting

Financial assets and liabilities are offset and the net amounts presented in the statement of financial position when there is an 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.

### **2.11 Investments**

Unlisted investments are stated at cost less provision for impairment. An impairment loss is measured as the difference between an asset's carrying amount and recoverable amount, which is based on present value of estimated cash flows. Any impairment losses are recognised in the statement of comprehensive income.

### **2.12 Pensions**

The Company operates a defined pension contribution money purchase pension scheme. Contributions are charged on an accruals basis in the statement of comprehensive income as they become payable in accordance with the rules of the scheme.

## **Notes to the financial statements (continued)**

### **For the year ended 31 March 2023**

#### **3. Judgements in applying accounting policies and key sources of uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the statement of financial position and the amounts reported for revenues and expenses during the year.

##### **3.1 Critical judgements in applying the Company's accounting policies**

The director is of the opinion that a reliable fair value cannot be determined for the Company's investment in PrimeStone Capital LLP, and as such these investments have been stated at cost less any provision for impairment.

##### **3.2 Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

###### Impairment of investment not held at fair value

The director has reviewed the operating result and financial position of PrimeStone Capital LLP and is confident that there are no indications that the Company's investment is impaired.

###### Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of tangible fixed assets and note 2.9 for the useful economic lives for each class of assets.

###### Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor if available, the ageing profile of debtors and historical experience. Note 12 and Note 13 contains details of the net carrying amount of the debtors and any associated impairment provision.

#### **4. Revenue**

Revenue represents fees charged for the provision of resources and services to PrimeStone Capital LLP, a limited liability partnership incorporated in England and Wales of which the Company is a corporate member.

## Notes to the financial statements (continued)

For the year ended 31 March 2023

### 5. Profit before tax

The profit before tax is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets owned by the Company (note 10)	5,667	7,348
Operating lease rentals	120,687	119,786
Foreign exchange gain	(423)	-
	<u>125,931</u>	<u>127,134</u>

### 6. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	6,400	6,400
	<u>6,400</u>	<u>6,400</u>

### 7. Staff costs

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	123,294	84,143
Social security costs	11,495	8,304
Other pension costs (note 18)	3,170	1,024
	<u>137,959</u>	<u>93,471</u>

The average monthly number of full-time equivalent employees, excluding the director, was as follows:

	2023	2022
Investment management	<u>2</u>	<u>2</u>

The key management personnel of the Company comprise the director only. Details of the director's remuneration are disclosed in note 8.

## Notes to the financial statements (continued)

For the year ended 31 March 2023

### 8. Director's remuneration

	2023 £	2022 £
Fixed fee for Director services	3,500	3,500
	<u>3,500</u>	<u>3,500</u>

The remuneration disclosed here relates to fixed fee paid to Crestbridge UK Limited for the provision of director services provided to the Company during the year (2022 - £3,500).

### 9. Taxation

	2023 £	2022 £
<b>Corporation tax</b>		
UK corporation tax charge on profits for the year	31,583	24,233
Adjustment in respect of previous periods	-	881
	<u>31,583</u>	<u>25,114</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(996)	(1,803)
Adjustment in respect of previous periods	(131)	(839)
Effect of changes in tax rates	(315)	(3,035)
Other adjustment	7,266	-
	<u>5,824</u>	<u>(5,677)</u>
<b>Taxation</b>	<u>37,407</u>	<u>19,437</u>

#### Factors affecting the tax charge for the year

The tax assessed on profit on ordinary activities for the year differs from the standard UK corporation tax rate of 19% (2022 - 19%). The differences are reconciled below:

**Notes to the financial statements (continued)**  
For the year ended 31 March 2023

**9. Taxation (continued)**

	2023 £	2022 £
<b>Profit before tax</b>	<b>153,605</b>	<b>114,311</b>
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	29,185	21,719
<b>Effects of:</b>		
Expenses not deductible for tax purposes	30,588	711
Tax rate changes	(315)	(3,035)
Income not taxable	(29,185)	-
Prior year tax adjustment	(131)	42
Other adjustment	7,266	-
Roundings	(1)	-
<b>Total tax for the year</b>	<b>37,407</b>	<b>19,437</b>

UK Corporation tax rate remained at 19% for the year ended 31 March 2023. The corporation tax rate will increase to 25% for companies with profits over £250,000 from 1 April 2023. Companies with profits of £50,000 or less will be eligible for a new, small profits rate and will continue to pay corporation tax at 19%. Companies with profits between £50,000 and £250,000 will have their corporation tax tapered until they reach the main rate of 25%.

**10. Tangible fixed assets**

	<i>Fixtures and fittings</i> £	<i>Office equipment</i> £	<i>Leasehold improvements</i> £	<i>Total</i> £
<b>Cost</b>				
At 1 April 2022	27,545	63,361	126,778	217,684
Additions	-	5,254	-	5,254
Disposals	-	-	-	-
At 31 March 2023	<u>27,545</u>	<u>68,615</u>	<u>126,778</u>	<u>222,938</u>
<b>Accumulated depreciation</b>				
At 1 April 2022	27,545	56,383	126,778	210,706
Charge for the year	-	5,667	-	5,667
At 31 March 2023	<u>27,545</u>	<u>62,050</u>	<u>126,778</u>	<u>216,373</u>
<b>Net book value</b>				
At 31 March 2023	<u>-</u>	<u>6,565</u>	<u>-</u>	<u>6,565</u>
At 31 March 2022	<u>-</u>	<u>6,978</u>	<u>-</u>	<u>6,978</u>

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2023**

**11. Investments**

	<i>Unlisted investments</i> £
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	<u>1,150,000</u>
<b>Book value</b>	
At 1 April 2022 and 31 March 2023	<u>1,150,000</u>

Unlisted investments represent the Company's capital interest in PrimeStone Capital LLP, an entity incorporated in the United Kingdom. The aggregate amount of members' capital and other reserves of PrimeStone Capital LLP as at 31 March 2023 amounted to £1,162,300 (2022 - £1,167,300). During the year, the company received a profit allocation of £153,605 (2022: £113,258) from its investment in the LLP. The company does not control or exert significant influence over PrimeStone Capital LLP. The director considers that this investment has not been impaired.

During the year, there were no movement in the investment in the LLP (2022: no movement).

**12. Debtors: amounts falling due in more than one year**

	2023 £	2022 £
Other debtors	<u>38,660</u>	<u>38,660</u>

**13. Debtors: amounts falling due within one year**

	2023 £	2022 £
Amounts due from PrimeStone Capital Management (GP) Ltd (note 19)	404,377	404,377
Other debtors	28,137	22,758
Deferred tax (note 15)	6,822	12,646
Prepayments	35,234	44,793
	<u>474,570</u>	<u>484,574</u>

Amounts due from the related entities are unsecured, interest-free and receivable on demand.

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2023**

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

	2023 £	2022 £
Trade creditors	-	3,028
Amounts due to PrimeStone Capital Management SLP (note 19)	214,159	353,787
Amounts due to PrimeStone Capital LLP (note 19)	339,958	499,156
Other taxation and social security	4,824	1,502
Corporation tax	30,216	24,593
Other creditors	11,122	4,564
Accruals	10,840	11,235
	<u>611,119</u>	<u>897,865</u>

Amounts due to the related entities are unsecured, interest-free and payable on demand.

**15. Deferred taxation**

	2023 £	2022 £
Brought forward	12,646	6,969
Deferred tax credited to statement of comprehensive income	(5,824)	5,677
Carried forward	<u>6,822</u>	<u>12,646</u>
Deferred tax asset balance is made up of:		
Fixed asset timing differences	2,467	8,776
Short term timing differences	1,882	1,529
Losses	2,473	2,341
	<u>6,822</u>	<u>12,646</u>

At 31 March 2023 the unrecognised estimated deferred tax asset amounted to £nil (2022: £nil).

**16. Called up share capital**

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
1,150,000 (2022 - 1,150,000) ordinary shares of £1 each	<u>1,150,000</u>	<u>1,150,000</u>

**Notes to the financial statements (continued)****For the year ended 31 March 2023****17. Operating lease commitments**

Future minimum rentals under non-cancellable operating leases are as follows:

**Operating lease commitments**

	2023 £	2022 £
Within 1 year	130,561	128,865
Later than 1 year and not later than 5 years	273,199	10,739
	<u>403,760</u>	<u>139,604</u>

**18. Pensions**

The Company contributes to a defined pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge for the year represents contributions payable by the Company to the fund and amounted to £3,170 (2022: £1,024). Amount of £1,413 (2022: £Nil) were payable to the fund at the year end.

**19. Related party transactions**

The Company is a corporate member of PrimeStone Capital LLP (the "LLP"), an entity registered in England and Wales. During the year, the Company charged LLP for its services £660,735 (2022 - £627,281) and received a profit allocation of £153,605 (2022: £113,258). As at the date of the statement of financial position, £339,958 (2022 - £499,156) was due to the LLP, with this amount included in creditors.

The Company is a wholly owned subsidiary of the SLP. At the year end the balance due to the SLP amounted to £214,159 (2022: £353,787). The net movement in the balance during the year is attributable to net transactions in respect of funding received from the SLP and payments made on behalf of the SLP amounting to £139,628 (2022: £47,216).

PrimeStone Capital Management (GP) Limited, a company incorporated in Jersey, is the ultimate controlling party of the Company. During the year, the Company paid administrative expenses amounting to £nil (2022 - £ nil) on behalf of PrimeStone Capital Management (GP) Limited. As at the statement of financial position date, £404,377 (2022 - £404,377) was due from PrimeStone Capital Management (GP) Limited, with this amount included in debtors.

**20. Parent undertaking and ultimate controlling party**

The Company is a wholly owned subsidiary of PrimeStone Capital Management SLP, an entity incorporated in Jersey.

The ultimate controlling party is PrimeStone Capital Management (GP) Limited, a company registered in Jersey which controls PrimeStone Capital SLP.

There is no legal requirement to prepare group accounts in Jersey. Accordingly, the Company's accounts are not included in any group accounts.