

Brickvest Markets Ltd

Report and Financial Statements

Year Ended

31 December 2019

Company Number 09745738



Brickvest Markets Ltd

Company Information

Directors	J Muir Dr M Kaesbauer
Registered number	09745738
Registered office	166 Sloane Street London England SW1X 9QF
Independant auditor	BDO LLP 55 Baker Street London W1U 7EU

Brickvest Markets Ltd

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Brickvest Markets Ltd

Directors' Report for the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities

The directors are responsible for preparing the 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 director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the director must not approve the financial statements unless he is satisfied that he gives 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 to 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.

Principal activity

The principal activity of the company is to operate the online investment platform, carrying out permitted regulated activities, which includes arranging and dealing in investments.

Results and dividends

The loss for the year, after taxation, amounted to £661,136 (2018 - £126,117).

The directors do not recommend the payment of a dividend (2018 - £Nil).

Directors

The directors who served during the year were:

Dr M Kaesbauer (appointed 21 February 2020)

J Muir (appointed 21 February 2020)

T Schneider (resigned 3 February 2020)

E J L Lumineau (resigned 21 February 2020)

Brickvest Markets Ltd

Directors' Report (continued) for the Year Ended 31 December 2019

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

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

Post balance sheet events

On 3 February 2020 Brickvest Markets Limited was sold by Brickvest Ltd to PATRIZIA Acquisition Holding Epsilon GmbH, a company incorporated in Germany.

Despite the worldwide impact of Covid-19, Assets under management have remained stable and the Directors have reviewed the current and projected financial position of the company making reasonable assumptions about the future performance in the light of COVID-19. The key areas reviewed were forecast income and cash flows for the period of at least 12 months from approving these accounts. As a new company, future losses are expected while the company builds assets under management. The parent company has agreed to provide financial support as required to support the company and enable it to settle its liabilities as they fall due and based on this the Directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. Accordingly, the financial statements are presented on a going concern basis. Subsequent to the year end, the parent company has advanced loans to the company in the amount of £250,000.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies exemption

In preparing this report, the Directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

James Muir

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J Muir
Director

Date: Dec 23 2020

M. Kaesbauer

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Dr M Kaesbauer
Director

Date: Dec 23 2020

Brickvest Markets Ltd

Independent Auditor's report to the members of Brickvest Markets Ltd

Opinion

We have audited the financial statements of Brickvest Markets Limited ("the company") for the year ended 31 December 2019 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report[, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Brickvest Markets Ltd

Independent Auditor's report to the members of Brickvest Markets Ltd (continued)

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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.

Brickvest Markets Ltd

Independent Auditor's report to the members of Brickvest Markets Ltd (continued)

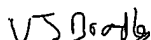
Auditor's responsibilities for the audit of the financial statements

from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to 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.



Vanessa Bradley (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: Dec 23 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Brickvest Markets Ltd

Statement of Comprehensive Income for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Revenue	4	328,294	43,709
Gross profit		328,294	43,709
Administrative expenses		(989,430)	(169,826)
Operating loss	5	(661,136)	(126,117)
Tax on loss	8	-	-
Loss and total comprehensive loss for the year		(661,136)	(126,117)

All amounts relate to continuing operations.

The notes on pages 10 to 16 form part of these financial statements.

Brickvest Markets Ltd

Registered number: 09745738

Statement of Financial Position as at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Debtors	9	147,898	55,483
Cash at bank and in hand		145,534	265,393
		<u>293,432</u>	<u>320,876</u>
Creditors: amounts falling due within one year	10	(144,150)	(10,458)
Net current assets		<u>149,282</u>	<u>310,418</u>
Total assets less current liabilities		<u>149,282</u>	<u>310,418</u>
Capital and reserves			
Share capital	11	760,000	10,000
Capital contribution		-	250,000
Profit and loss account		(610,718)	50,418
		<u>149,282</u>	<u>310,418</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

James muir

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J Muir
Director

Date: Dec 23 2020

M. Kaesbauer

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Dr M Kaesbauer
Director

Date: Dec 23 2020

The notes on pages 10 to 16 form part of these financial statements.

Brickvest Markets Ltd

Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital £	Capital contribution £	Profit and loss account £	Total equity £
At 1 January 2019	10,000	250,000	50,418	310,418
Comprehensive loss for the year				
Loss for the year	-	-	(661,136)	(661,136)
Shares issued during the year	750,000	-	-	750,000
Capital contribution	-	(250,000)	-	(250,000)
At 31 December 2019	760,000	-	(610,718)	149,282

Statement of Changes in Equity for the Year Ended 31 December 2018

	Share capital £	Capital contribution £	Profit and loss account £	Total equity £
At 1 January 2018	10,000	-	176,535	186,535
Comprehensive income for the year				
Loss for the year	-	-	(126,117)	(126,117)
Capital contribution	-	250,000	-	250,000
At 31 December 2018	10,000	250,000	50,418	310,418

The notes on pages 10 to 16 form part of these financial statements.

Brickvest Markets Ltd

Statement of Cash Flows for the Year Ended 31 December 2019

	2019 £	2018 £
Cash flows from operating activities		
Loss for the financial year	(661,136)	(126,117)
Adjustments for:		
Increase in debtors	(147,899)	-
Decrease/(increase) in amounts owed by fellow group undertakings	(92,217)	204,427
Increase in creditors	31,393	10,457
Net cash (used in)/generated from operating activities	(869,859)	88,767
Cash flows from financing activities		
Issue of ordinary shares	750,000	-
Net cash generated from financing activities	750,000	-
Net (decrease)/increase in cash and cash equivalents	(119,859)	88,767
Cash and cash equivalents at beginning of year	265,393	176,626
Cash and cash equivalents at the end of year	145,534	265,393
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	145,534	265,393
	145,534	265,393

The notes on pages 10 to 16 form part of these financial statements.

Brickvest Markets Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

1. General information

Brickvest Markets Ltd is a private company, limited by shares, incorporated in England & Wales under the Companies Act 2006. The address of the registered office is stated on the company information page and the nature of the company's operations and its principal activities are set out in the Director's report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

Despite the worldwide impact of Covid-19, Assets under management have remained stable and the Directors have reviewed the current and projected financial position of the company making reasonable assumptions about the future performance in the light of COVID-19. The key areas reviewed were forecast income and cash flows for the period of at least 12 months from approving these accounts. As a new company, future losses are expected while the company builds assets under management. The parent company has agreed to provide financial support as required to support the company and enable it to settle its liabilities as they fall due and based on this the Directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. Accordingly, the financial statements are presented on a going concern basis. Subsequent to the year end, the parent company has advanced loans to the company in the amount of £250,000.

2.3 Revenue

Revenue is recognised 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 or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Brickvest Markets Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

2. Accounting policies (continued)

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

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.

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Notes to the Financial Statements for the Year Ended 31 December 2019

2. Accounting policies (continued)

2.8 Current and deferred taxation

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income 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 except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

There are no estimates and judgements that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the financial year.

4. Revenue

An analysis of revenue by class of business is as follows:

	2019 £	2018 £
Transaction fees on investment services	<u>328,294</u>	<u>43,709</u>

Of the above revenue figure £272,258 (2018 - £30,998) arose within the United Kingdom, £28,536 (2018 - £12,711) arose within the Rest of Europe and £27,500 (2018 - £Nil) arose within the Rest of the world.

5. Operating loss

The operating loss is stated after charging:

	2019 £	2018 £
Exchange differences	<u>9,865</u>	<u>2,110</u>

Brickvest Markets Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

6. Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<u>7,000</u>	<u>6,200</u>
Fees payable to the company's auditor and its associates in respect of:		
All other services	<u>7,995</u>	<u>7,400</u>

7. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £Nil).

Brickvest Markets Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

8. Taxation

	2019 £	2018 £
Total current tax	-	-

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	(661,136)	(126,117)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%)	(125,616)	(23,962)
Effects of:		
Expenses not deductible for tax purposes	145,760	-
Adjust opening deferred tax to average rate of 19.00%	(2,522)	-
Adjust closing deferred tax to average rate of 19.00%	402	2,522
Deferred tax not recognised	(18,024)	21,440
Total tax charge for the year	-	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

9. Debtors

	2019 £	2018 £
Trade debtors	137,612	-
Amounts owed by group undertakings	-	55,483
Prepayments and accrued income	10,000	-
Tax recoverable	286	-
	147,898	55,483

During the year £767,161 relating to amounts owed by group undertakings were written off.

Brickvest Markets Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

10. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	28,661	1,108
Amounts owed to group undertakings	102,300	-
Accruals and deferred income	13,189	9,350
	<u>144,150</u>	<u>10,458</u>

11. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
760,000 (2018 - 10,000) Ordinary shares of £1.00 each	<u>760,000</u>	<u>10,000</u>

On 4 April 2019, 750,000 Ordinary shares were issued at par. £250,000 of this issue was settled against the capital contribution.

12. Related party transactions

The company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group. There are no related party transactions outside the group.

13. Post balance sheet events

Despite the worldwide impact of Covid-19, Assets under management have remained stable and the Directors have reviewed the current and projected financial position of the company making reasonable assumptions about the future performance in the light of COVID-19. The key areas reviewed were forecast income and cash flows for the period of at least 12 months from approving these accounts. As a new company, future losses are expected while the company builds assets under management. The parent company has agreed to provide financial support as required to support the company and enable it to settle its liabilities as they fall due and based on this the Directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. Accordingly, the financial statements are presented on a going concern basis. Subsequent to the year end, the parent company has advanced loans to the company in the amount of £250,000.

COVID-19 is considered to be a non-adjusting post balance sheet event and therefore has not been taken into account in preparing the statement of financial position as at 31 December 2019.

On February 3rd 2020, PATRIZIA Acquisition Holding Epsilon GmbH purchased 100% of shares in Brickvest Markets Ltd.

Brickvest Markets Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

14. Controlling party

As at 31 December 2019 the companies immediate and ultimate parent undertaking was Brickvest Ltd, a company incorporated in England and Wales. Brickvest Ltd entered administration on 7 November 2019 and as a result they will not be preparing consolidated financial statements for 31 December 2019, in which this entities results would have been incorporated.

From 3 February 2020, the company is an immediate subsidiary of PATRIZIA Acquisition Holding Epsilon GmbH, a company incorporated in Germany. In the opinion of the directors, as at the date of issue of the financial statements, there is no single controlling party.

The largest and smallest group in to which the results of the company are consolidated at 31 December 2020 is that headed by PATRIZIA AG, a company incorporated in Germany. This is the ultimate parent undertaking.