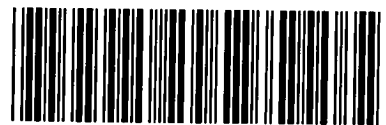


REGISTERED NUMBER: OC320407 (England and Wales)

**MEMBERS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
FOR
ADM CAPITAL EUROPE LLP**

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**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

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ADM CAPITAL EUROPE LLP
GENERAL INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019

DESIGNATED MEMBERS:

J Alun-Jones
R C Appleby

REGISTERED OFFICE:

Kensington Library
2nd Floor (East Wing)
12 Phillimore Walk
London
W8 7RX

REGISTERED NUMBER:

OC320407 (England and Wales)

ACCOUNTANTS:

Lewis Brownlee (Chichester) Limited
Chartered Accountants
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

ADM CAPITAL EUROPE LLP (REGISTERED NUMBER: OC320407)

**MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

The members present their annual report together with the audited financial statements of ADM Capital Europe LLP (the 'LLP') for the year ended 31 March 2019.

PRINCIPAL ACTIVITY

The principal activity of the LLP in the year under review was that of the provision of investment advisory and consultancy services. The members do not foresee any change in the nature of these activities going forward.

The LLP was authorised to conduct investment business by the Financial Conduct Authority (the "FCA") on 2 October 2006.

DESIGNATED MEMBERS

The members of the LLP during the year and up to the date of this report were as follows:

J Alun-Jones*

N A Stalker* - Resigned 01/04/2018

R Appleby*

A Rainsford

G Sasson

J Silm

A Cooper

* Designated members

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The profit for the year before members' remuneration and profit shares was £3,941,371 (2018 - £1,245,948 profit).

MEMBERS' INTERESTS

Policies for Members' drawings, subscriptions and repayment of Members' capital are governed by the Partnership Agreement dated 9 May 2008 as subsequently amended.

FINANCIAL POSITION

The LLP's statement of financial position as detailed on page 6 shows a satisfactory position with total Members' interests amounting to £1,741,025 (2018: £109,437).

PRINCIPAL RISKS AND UNCERTAINTIES

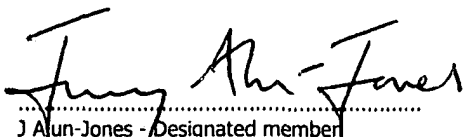
The principal risk affecting the LLP is the ability to attract and retain investors. Other risks such as market (foreign exchange, price and interest rate risks), credit, liquidity, regulatory, legal and operational risks are considered to have minimal potential impact. Income is received in foreign currency and the associated risk is mitigated by prompt conversion to Sterling.

GOING CONCERN

The LLP has sufficient liquid resources and ongoing arrangements for the provision of investment advisory and consultancy services, which are expected to continue for the foreseeable future. The Members believe that the LLP will be able to meet its liabilities as they fall due for at least twelve months from the date of approval of these financial statements.

The Members have assessed the going concern status of the LLP and concluded that there are no material uncertainties that may cast doubt about the LLP's ability to continue as a going concern. Accordingly, the going concern basis has been adopted in preparing these financial statements.

ON BEHALF OF THE MEMBERS:


.....
J Alun-Jones - Designated member

Date:

23rd July 2019

**CHARTERED ACCOUNTANTS' REPORT TO THE MEMBERS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
ADM CAPITAL EUROPE LLP**

In order to assist you to fulfil your duties under the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, we have prepared for your approval the financial statements of ADM Capital Europe LLP for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Reconciliation of Members' Interests, Statement of Cash Flows and the related notes from the LLP's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the members of ADM Capital Europe LLP, as a body, in accordance with the terms of our engagement letter dated 16 August 2016. Our work has been undertaken solely to prepare for your approval the financial statements of ADM Capital Europe LLP and state those matters that we have agreed to state to the members of ADM Capital Europe LLP, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than ADM Capital Europe LLP and its members, as a body, for our work or for this report.

It is your duty to ensure that ADM Capital Europe LLP has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of ADM Capital Europe LLP. You consider that ADM Capital Europe LLP is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of ADM Capital Europe LLP. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Lewis Brownlee (Chichester) Ltd

Lewis Brownlee (Chichester) Limited
Chartered Accountants
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

Date: 23 July 2019

ADM CAPITAL EUROPE LLP (REGISTERED NUMBER: OC320407)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
REVENUE	3	4,787,869	2,013,823
Administrative expenses		<u>870,469</u>	<u>791,859</u>
		3,917,400	1,221,964
Other operating income		<u>24,000</u>	24,000
OPERATING PROFIT	5	3,941,400	1,245,964
Interest payable and similar expenses	6	<u>29</u>	<u>16</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		3,941,371	1,245,948
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>3,941,371</u>	<u>1,245,948</u>

The notes form part of these financial statements

ADM CAPITAL EUROPE LLP (REGISTERED NUMBER: OC320407)

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2019**

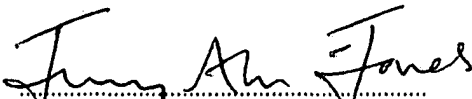
	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Property, plant and equipment	8		31,086		33,392
CURRENT ASSETS					
Debtors	9	36,673		51,940	
Cash at bank and in hand		1,877,167		240,265	
		<u>1,913,840</u>		<u>292,205</u>	
CREDITORS					
Amounts falling due within one year	10	<u>203,900</u>		<u>200,597</u>	
NET CURRENT ASSETS			<u>1,709,940</u>		<u>91,608</u>
TOTAL ASSETS LESS CURRENT LIABILITIES and NET ASSETS ATTRIBUTABLE TO MEMBERS			<u><u>1,741,026</u></u>		<u><u>125,000</u></u>
LOANS AND OTHER DEBTS DUE TO MEMBERS	12		<u><u>1,741,026</u></u>		<u><u>125,000</u></u>
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members	12		1,741,026		125,000
Amounts due from members	9		-		(15,563)
			<u><u>1,741,026</u></u>		<u><u>109,437</u></u>

The LLP is entitled to exemption from audit under Section 477 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 for the year ended 31 March 2019.

The members acknowledge their responsibilities for:

- (a) ensuring that the LLP keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the LLP as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 relating to financial statements, so far as applicable to the LLP.

The financial statements were approved by the members of the LLP on 23rd July 19 and were signed by:


J Alun-Jones - Designated member

The notes form part of these financial statements

RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2019

	EQUITY	DEBT			TOTAL
	Members' other interests	Loans and other debts due to members less any amounts due from members in debtors			MEMBERS' INTERESTS
	Other reserves £	Members' capital (classified as debt) £	Other amounts £	Total £	Total £
Amount due to members		125,000	-	125,000	
Amount due from members		-	(15,563)	(15,563)	
Balance at 1 April 2018	-	125,000	(15,563)	109,437	109,437
Profit for the financial year available for discretionary division among members	3,941,371	-	-	-	3,941,371
Members' interests after profit for the year	3,941,371	125,000	(15,563)	109,437	4,050,808
Other divisions of profit	(3,941,371)	-	3,941,371	3,941,371	-
Introduced by members	-	-	15,563	15,563	15,563
Drawings	-	-	(2,325,345)	(2,325,345)	(2,325,345)
Amount due to members		125,000	1,616,026	1,741,026	
Amount due from members		-	-	-	
Balance at 31 March 2019	-	125,000	1,616,026	1,741,026	1,741,026

The notes form part of these financial statements

ADM CAPITAL EUROPE LLP (REGISTERED NUMBER: OC320407)

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2019**

	EQUITY Members' other interests		DEBT Loans and other debts due to members less any amounts due from members in debtors		TOTAL MEMBERS' INTERESTS
	Other reserves £	Members' capital (classified as debt) £	Other amounts £	Total £	Total £
Amount due to members		125,000	2,415,419	2,540,419	
Amount due from members		-	(23,403)	(23,403)	
Balance at 1 April 2017	-	125,000	2,392,016	2,517,016	2,517,016
Profit for the financial year available for discretionary division among members	1,245,948	-	-	-	1,245,948
Members' interests after profit for the year	1,245,948	125,000	2,392,016	2,517,016	3,762,964
Other divisions of profit	(1,245,948)	-	1,245,948	1,245,948	-
Drawings	-	-	(3,653,527)	(3,653,527)	(3,653,527)
Amount due to members		125,000	-	125,000	
Amount due from members		-	(15,563)	(15,563)	
Balance at 31 March 2018	-	125,000	(15,563)	109,437	109,437

The notes form part of these financial statements

ADM CAPITAL EUROPE LLP (REGISTERED NUMBER: OC320407)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	3,954,436	3,891,125
Interest paid		(29)	(16)
Net cash from operating activities		<u>3,954,407</u>	<u>3,891,109</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(7,723)</u>	<u>(3,676)</u>
Net cash from investing activities		<u>(7,723)</u>	<u>(3,676)</u>
Cash flows from financing activities			
Transactions with members and former members			
Payments to members		(2,325,345)	(3,653,527)
Contributions by members		<u>15,563</u>	<u>-</u>
Net cash from financing activities		<u>(2,309,782)</u>	<u>(3,653,527)</u>
Increase in cash and cash equivalents		<u>1,636,902</u>	<u>233,906</u>
Cash and cash equivalents at beginning of year	2	<u>240,265</u>	<u>6,359</u>
Cash and cash equivalents at end of year	2	<u><u>1,877,167</u></u>	<u><u>240,265</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

1. **RECONCILIATION OF PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS TO CASH GENERATED FROM OPERATIONS**

	2019 £	2018 £
Profit for the financial year before members' remuneration and profit shares available for discretionary division among members	3,941,371	1,245,948
Depreciation charges	10,029	8,524
Finance costs	29	16
	<u>3,951,429</u>	<u>1,254,488</u>
(Increase)/decrease in trade and other debtors	(296)	2,486,703
Increase in trade and other creditors	3,303	149,934
Cash generated from operations	<u><u>3,954,436</u></u>	<u><u>3,891,125</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2019

	31.3.19 £	1.4.18 £
Cash and cash equivalents	<u><u>1,877,167</u></u>	<u><u>240,265</u></u>

Year ended 31 March 2018

	31.3.18 £	1.4.17 £
Cash and cash equivalents	<u><u>240,265</u></u>	<u><u>6,359</u></u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

1. **STATUTORY INFORMATION**

ADM Capital Europe LLP is a limited liability partnership incorporated and domiciled in England and Wales. The LLP's registered number and registered office address can be found on the General Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102") "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006 and the requirements of the Statement of Recommended Practice, "Accounting by Limited Liability Partnerships" ("SORP"). The financial statements have been prepared under the historical cost convention.

Judgements in applying accounting policies and key sources of estimation

The preparation of the financial statements in compliance with FRS 102 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.

a) Critical accounting estimates and assumptions

The LLP 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 amount of the assets and liabilities within the next financial year are addressed below.

b) Useful economic lives of non-financial assets

The annual depreciation charge for tangible 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 advancements, future investments, economic utilisation and physical condition of the assets. Note 9 contains details of the carrying amount of the non-financial assets, and the tangible fixed asset accounting policy has the details of the estimated useful economic lives for each class of asset.

c) Impairment of debtors

The LLP 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, the ageing profile of debtors and historical experiences. Note 10 contains details of the net carrying amount of the debtors and any associated impairment provision.

Turnover

Revenue is recognised on an accruals basis to the extent that it is probable that future economic benefits will flow to the LLP 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.

Tangible fixed assets

Tangible fixed assets are recorded at historical cost less accumulated depreciation. Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Improvements to property - in accordance with the property lease

Office equipment - 3 years

Fixtures and fittings - 3 years

Computer equipment - 3 years

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each year end.

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

2. **ACCOUNTING POLICIES - continued**

Financial instruments

Financial assets

The LLP's financial assets comprise basic financial assets, being trade and other receivables and cash at bank.

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

Trade and other receivables are measured initially at transaction price and thereafter at the undiscounted amount expected to be received which includes any impairment.

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.

Impairment

An impairment loss is measured as the difference between an asset's carrying amount and best estimate of the amount that the LLP would receive for the asset if it were to be sold at the reporting date.

Financial liabilities

The LLP's financial liabilities comprise basic financial liabilities, being trade and other payables. These are initially recognised at transaction price and thereafter at the undiscounted amount expected to be paid.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable 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 amount reported 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.

Foreign currencies

Functional and presentation currency

The LLP's functional currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the date of the transaction.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical costs 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 is determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within administrative expenses.

Leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

2. ACCOUNTING POLICIES - continued**Pension costs and other post-retirement benefits**

The LLP operates a defined contribution pension scheme. Contributions payable to the LLP's pension scheme are charged to profit or loss in the period to which they relate.

Expenses

Expenses incurred are recognised in the Statement of Comprehensive Income on an accruals basis.

Taxation

No provision has been made for current or deferred taxation in the financial statements of the LLP. Each Member is exclusively liable for any tax liabilities arising out of their interest in the LLP which will be assessed on the individual Members and not the LLP.

Members' capital

Policies for Members' drawings, subscriptions and repayment of Members' capital are governed by the Limited Liability Partnership Agreement dated 9 May 2008. In summary, capital is contributed by each Member upon admission to the LLP and shall be repayable only with prior consent of the Management Board. Return of regulatory capital to Members is only permitted if: they cease to be a Member and their capital repayment is offset by other Members' contributions; the LLP is dissolved or wound up; the LLP ceases to be authorised by the FCA or the LLP has received permission from the FCA in respect of the return of such a capital contribution. As the Members do not have the right to withdraw capital contributions without the permission of the Management Board, capital contributions are classified as equity.

Profit allocation

Members may draw on account of their share of income profits. Income profits shall be allocated to the Members based on profit percentages set out in the Limited Liability Partnership Agreement, which percentages are determined from time to time by the Management Board.

Amounts due to Members following a discretionary division of profits are credited to Members' current accounts in the period when the allocation occurs. Unallocated profits and losses are included within other reserves and any drawings paid in respect of these unallocated profits are included within debtors.

3. REVENUE

The turnover in the year of £4,864,347 (2018: £2,013,823) arose within the United Kingdom from the supply of investment advisory services and consultancy services provided to various investment management entities outside of the UK.

4. EMPLOYEE INFORMATION

	2019	2018
	£	£
Wages and salaries	320,788	254,515
Social security costs	30,627	26,572
Other pension costs	1,593	522
	<u>353,008</u>	<u>281,609</u>

The average number of employees during the year was as follows:

	2019	2018
Administration	<u>5</u>	<u>4</u>

ADM CAPITAL EUROPE LLP (REGISTERED NUMBER: OC320407)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

5. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Other operating leases	62,968	59,913
Depreciation - owned assets	10,029	8,524
Foreign exchange differences	78,886	62,879
	<u>78,886</u>	<u>62,879</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Bank interest	29	10
Interest paid on overdue tax	-	6
	<u>29</u>	<u>16</u>

7. INFORMATION IN RELATION TO MEMBERS

	2019	2018
	£	£
Profit for the financial year available for discretionary division among members	3,944,770	1,245,948
The amount of profit attributable to the member with the largest entitlement	1,067,056	447,694
The average number of members during the year was	6	8

8. PROPERTY, PLANT AND EQUIPMENT

	Improvements to property £	Office equipment £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2018	7,690	1,341	40,543	12,207	61,781
Additions	-	-	307	7,416	7,723
At 31 March 2019	<u>7,690</u>	<u>1,341</u>	<u>40,850</u>	<u>19,623</u>	<u>69,504</u>
DEPRECIATION					
At 1 April 2018	7,690	792	13,981	5,926	28,389
Charge for year	-	387	5,152	4,490	10,029
At 31 March 2019	<u>7,690</u>	<u>1,179</u>	<u>19,133</u>	<u>10,416</u>	<u>38,418</u>
NET BOOK VALUE					
At 31 March 2019	<u>-</u>	<u>162</u>	<u>21,717</u>	<u>9,207</u>	<u>31,086</u>
At 31 March 2018	<u>-</u>	<u>549</u>	<u>26,562</u>	<u>6,281</u>	<u>33,392</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	776	232
Amounts due from members	-	15,563
Other debtors	29,880	29,880
VAT	4,850	5,064
Prepayments and accrued income	1,167	1,201
	<u>36,673</u>	<u>51,940</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	23,326	30,898
Social security and other taxes	11,121	8,383
Other creditors	14,614	15,225
Accruals and deferred income	154,839	146,091
	<u>203,900</u>	<u>200,597</u>

11. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	59,160	59,160
Between one and five years	14,790	73,950
	<u>73,950</u>	<u>133,110</u>

12. LOANS AND OTHER DEBTS DUE TO MEMBERS

	2019	2018
	£	£
Amounts owed to members in respect of profits	1,616,026	-
Capital account	125,000	125,000
	<u>1,741,026</u>	<u>125,000</u>
Falling due within one year	<u>1,741,026</u>	<u>125,000</u>

Debts due to ordinary creditors rank in preference to loans and other debts due to Members in the event of a winding up. All amounts due to Members are interest free and repayable on demand.

13. RELATED PARTY DISCLOSURES

Key management are considered to be the Members of the LLP. See note 7 for disclosure of members' remuneration.

14. ULTIMATE CONTROLLING PARTY

In the opinion of the Members, J Alun-Jones and R Appleby are the immediate and ultimate controlling parties.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

15. **REGULATORY CAPITAL**

The LLP is regulated by the FCA and subject to the capital requirements imposed by FCA rules. For these purposes the LLP measures regulatory capital as the total of Members' other interest less drawings in excess of profit allocation. At 31 March 2019, and in the year to 31 March 2019, this exceeded the externally imposed capital requirements (2018: exceeded).

16. **FINANCIAL INSTRUMENT AND ASSOCIATED RISKS**

<u>Financial Assets</u>	2019	2018
	£	£
Financial assets measured at amortised cost	30,656	45,674
Cash at bank	1,877,167	240,265

Financial liabilities

Financial liabilities measured at amortised cost	192,781	192,213
--	----------------	---------

Financial assets measured at amortised cost comprise debtors, excluding prepayments and VAT.

Financial liabilities measured at amortised cost comprise creditors, excluding taxation and social security.

The LLP's activities expose it to credit, liquidity and market risk.

a) Credit risk

The LLP's exposure to credit risk arises from its cash balances and receivables.

Cash balances are held at a highly-rated banking institution based in the UK. Receivables at the date of the statement of financial position relate to prepayments and accrued income and other debtors. Management seek prompt payment of amounts owed to the LLP and have the ability to terminate the LLP's provision of services obligations should the receivable become impaired in order to minimise further loss.

b) Liquidity risk

The LLP's exposure to liquidity risk arises from its obligations to trade creditors. At the date of the statement of financial position all creditors were payable on demand and the LLP expects to have sufficient cash to pay its financial liabilities as they fall due.

c) Market risk

The LLP does not have any direct exposure to interest rate or price risk. The LLP does have exposure to foreign exchange risk however this risk is monitored by the Members and mitigated by prompt conversion to Sterling.