

Partnership number OC349617

CONNECTION CAPITAL LLP

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019



CONNECTION CAPITAL LLP

**MANAGERS AND ADVISORS
FOR THE YEAR ENDED 31 MARCH 2019**

Registration number	OC349617
Registered office	One Eleven Edmund Street Birmingham West Midlands B3 2HJ
Designated members	Bernard John Dale Susan Gilmore Heard Claire Estelle Madden Stephen Richard Wilson Miles Daniel Otway Darren Paul Mitchell
Chairman	Ian Stuart Darby
Accountants	Grant Thornton UK LLP Regent House 80 Regent Road Leicester LE1 7NH
Solicitors	Gateley PLC One Eleven Edmund Street Birmingham B3 2HJ
Main business address	Woolverstone House 61 - 62 Berners Street London W1T 3NJ
Website	www.connectioncapital.co.uk
Financial Conduct Authority	Connection Capital LLP is authorised and regulated by the Financial Conduct Authority

CONNECTION CAPITAL LLP

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FOR THE YEAR ENDED 31 MARCH 2019**

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**ACCOUNTANTS' REPORT TO THE MEMBERS ON THE PREPARATION OF THE UNAUDITED
ACCOUNTS OF CONNECTION CAPITAL LLP
FOR THE YEAR ENDED 31 MARCH 2019**

We have compiled the accompanying financial statements of Connection Capital LLP based on the information you have provided. These financial statements comprise the Balance Sheet as at 31 March 2019 and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Section 1a of FRS 102, 'The Financial Reporting Standard applicable to smaller entities'. As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities.

This report is made solely to the members of Connection Capital LLP in accordance with the terms of our engagement letter dated 4 March 2019. Our work has been undertaken solely to prepare for your approval the financial statements of Connection Capital LLP and state those matters that we have agreed to state to the members of Connection Capital LLP in this report in accordance with our engagement letter dated 4 March 2019. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Connection Capital LLP and its members for our work or for this report.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS
Leicester

24 September 2019

CONNECTION CAPITAL LLP

BALANCE SHEET AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	4	54,553	81,368
Investments	5	93,935	100,323
		<u>148,488</u>	<u>181,691</u>
Current assets			
Debtors	6	1,447,735	756,803
Cash at bank		1,434,553	1,744,183
		<u>2,882,288</u>	<u>2,500,986</u>
Creditors: amounts falling due within one year	7	<u>(869,464)</u>	<u>(1,012,166)</u>
Net current assets		<u>2,012,824</u>	<u>1,488,820</u>
Total assets less current liabilities		<u>2,161,312</u>	<u>1,670,511</u>
Net assets attributable to members		<u>2,161,312</u>	<u>1,670,511</u>
Represented by:			
Loans and other debts due to members		-	-
Members' other interests			
Members' capital classified as equity		30,991	29,237
Other reserves classified as equity		2,130,321	1,641,274
		<u>2,161,312</u>	<u>1,670,511</u>
Total members' interests			
Amounts due from members (included in debtors)		(163,178)	-
Loans and other debts due to members		-	-
Members' other interests		<u>2,161,312</u>	<u>1,670,511</u>
		<u>1,998,134</u>	<u>1,670,511</u>

The entity has opted not to file the statement of comprehensive income in accordance with the provisions applicable to entities subject to the small LLPs regime.

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

CONNECTION CAPITAL LLP

BALANCE SHEET (CONTINUED) AS AT 31 MARCH 2019

For the year ended 31 March 2019 the LLP was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the small entity provisions of Financial Reporting Standard 102 1(a).

These financial statements were approved by the Members and authorised for issue on 23 September 2019.



Darren Mitchell - For and on behalf of Connection Capital Limited Liability Partnership, Designated Member.

Registered Number: OC349617

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

CONNECTION CAPITAL LLP

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

1 Limited Liability Partnership

Connection Capital LLP is a private Limited Liability Partnership, registered in England and Wales, with registration number OC349617, and its registered office is at One Eleven, Edmund Street, Birmingham, B3 2HJ.

2 Accounting Policies

2.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102, section 1a of the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102") and Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships.

The financial statements are presented in £.

2.2 Going concern

As at 31 March 2019 the members have reviewed forecasts for a period of 12 months from the date of signing these financial statements and are satisfied that it is appropriate for the financial statements to be prepared on the going concern basis.

The following principal accounting policies have been applied:

2.3 Turnover

Turnover represents the value, net of value added tax and discounts, in respect of services provided to customers for investment management services, including arrangement and monitoring fees.

2.4 Investments

Investments in other LLPs are included at cost plus share of profits/losses less drawings.

Investments includes unquoted equity investments which are measured at fair value, where this can be readily determined. Changes in fair value are recognised in profit and loss. Fair value is estimated using a valuation technique.

2.5 Taxation

The LLP is not subject to taxation as an entity. All members are required to calculate and settle their own tax liabilities due to the LLP's profit and losses.

CONNECTION CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

2.6 Pensions

Defined contribution pension plan

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Depreciation

Depreciation has been provided in order to write off the assets over their estimated useful lives on a straight line basis.

Fixtures and fittings	4 years
Computer equipment	2 years

2.8 Basic financial instruments

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment.

Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

2.9 Leases

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.10 Judgements and key sources of estimation uncertainty

The Members consider that the only key judgement in preparing these financial statements is in assessing the recoverability of trade debtors and accrued income. All significant balances outstanding are reviewed and an appropriate provision made for doubtful debts.

There is also estimation uncertainty in the valuation of unquoted equity investments. The valuations are calculated using recognised valuation techniques.

2.11 Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

CONNECTION CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

2.11 Members' participation rights (continued)

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with FRS 102. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Statement of Comprehensive Income in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the Balance Sheet.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the Profit and Loss Account and are equity appropriations in the Balance Sheet.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the Balance Sheet within 'Loans and other debts due to members' and are charged to the Statement of Comprehensive Income within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the Balance Sheet within 'Members' other interests'.

3 Employees

	2019 No.	2018 No.
The average number of employees in the year was as follows:		
Employees	<u>19</u>	<u>15</u>

CONNECTION CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

4 Tangible fixed assets

	Fixtures and Fittings £	Computer Equipment £	Total £
Cost			
At 1 April 2018	128,927	58,391	187,318
Additions	8,462	6,329	14,971
	<u>137,389</u>	<u>64,720</u>	<u>202,109</u>
At 31 March 2019			
Accumulated depreciation			
At 1 April 2018	62,717	43,233	105,950
Charge for the year	28,591	13,015	41,606
	<u>91,308</u>	<u>56,248</u>	<u>147,556</u>
At 31 March 2019			
Net book value			
At 31 March 2019	<u><u>46,081</u></u>	<u><u>8,472</u></u>	<u><u>54,553</u></u>
At 31 March 2018	<u><u>66,210</u></u>	<u><u>15,158</u></u>	<u><u>81,368</u></u>

5 Investments

	Other investments £
Cost	
At 1 April 2018	100,323
Share of accrued profit in Limited Liability Partnership	11,903
Distributions	(40,000)
Additions	21,710
Impairment	(1)
	<u>93,935</u>
At 31 March 2019	<u><u>93,935</u></u>

The principal investment continues to be a 50% interest in Hotbed Portfolio Managers LLP. The share of profit for the year ended 31 March 2019 amounted to £11,903 (2018: £81,047).

The LLP's share of that entity's losses is included in the Profit and loss and in creditors at £14,902 (2018: £8,089).

CONNECTION CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

6 Debtors

	2019 £	2018 £
Due after more than one year		
Amounts owed by group undertakings	67,000	70,051
Amounts due from members	<u>163,178</u>	<u>-</u>
	<u>230,178</u>	<u>70,051</u>
Due within one year		
Amounts owed by group undertakings	10,051	-
Trade debtors	736,665	340,344
Prepayments and accrued income	463,821	346,408
Other debtors	<u>7,020</u>	<u>-</u>
	<u>1,217,557</u>	<u>686,752</u>
	<u><u>1,447,735</u></u>	<u><u>756,803</u></u>

7 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	121,387	123,635
Other creditors	2,500	8,837
Other taxation and social security	139,542	147,845
Accruals and deferred income	596,940	723,760
Amounts due to Connection Capital Investments LP	4,801	8,089
Amounts due to Connection Capital Investments II LP	<u>4,294</u>	<u>-</u>
	<u>869,464</u>	<u>1,012,166</u>

8 Operating leases

	2019 £	2018 £
The amount due within 1 – 5 years	<u>225,000</u>	<u>405,000</u>