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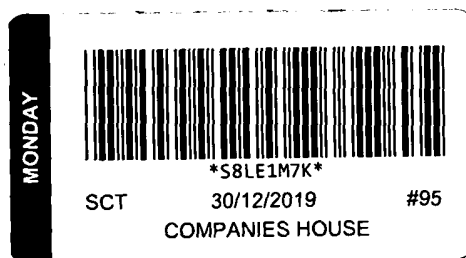
Grayling Capital LLP

Unaudited Financial Statements

Year Ended

31 March 2019

Company Number OC418709



Grayling Capital LLP

Information

Designated Members

Stuart George
Lawson Steele
Oliver Millican

Members

John Reilly (appointed 1 April 2019)

LLP registered number

OC418709

Registered office

Level 13, Broadgate Tower, 20 Primrose Street, London, EC2A 2EW

Accountants

BDO LLP, Citypoint, 65 Haymarket Terrace, Edinburgh, EH12 5HD

Grayling Capital LLP

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Grayling Capital LLP

Chartered accountants' report to the members on the preparation of the unaudited financial statements of Grayling Capital LLP for the year ended 31 March 2019


In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Grayling Capital LLP for the year ended 31 March 2019 which comprise the statement of comprehensive income, the balance sheet, the reconciliation of members' interest and the related notes from the company'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 at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

It is your duty to ensure that Grayling Capital LLP has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Grayling Capital LLP. You consider that Grayling Capital 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 Grayling Capital 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 accounts.

This report is made solely to the members of Grayling Capital LLP, as a body, in accordance with the terms of our engagement letter dated 15 April 2019. Our work has been undertaken solely to prepare for your approval the accounts of Grayling Capital LLP and state those matters that we have agreed to state to the members of Grayling Capital LLP, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Grayling Capital LLP and its members as a body for our work or for this report.



30/12/2019

BDO LLP
Chartered Accountants
Edinburgh
United Kingdom

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

Grayling Capital LLP
Registered number: OC418709

Balance sheet
As at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	7	6,060	6,433
Tangible assets	8	61,370	71,839
		<u>67,430</u>	<u>78,272</u>
Current assets			
Debtors: amounts falling due within one year	9	22,023	140,762
Cash at bank and in hand	10	248,730	126,247
		<u>270,753</u>	<u>267,009</u>
Creditors: amounts falling due within one year	11	(326,429)	(254,541)
Net current (liabilities)/assets		<u>(55,676)</u>	<u>12,468</u>
Total assets less current liabilities		<u>11,754</u>	<u>90,740</u>
Net assets		<u><u>11,754</u></u>	<u><u>90,740</u></u>

Grayling Capital LLP
Registered number: OC418709

Balance sheet (continued)
As at 31 March 2019

	2019 £	2018 £
Represented by:		
Loans and other debts due to members within one year		
Members' other interests		
Members' capital classified as equity	1,020	1,030
Other reserves classified as equity	10,734	89,710
	<u>11,754</u>	<u>90,740</u>
	<u><u>11,754</u></u>	<u><u>90,740</u></u>
Total members' interests		
Members' other interests	11,754	90,740
	<u>11,754</u>	<u>90,740</u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The entity 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, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, with respect to accounting records and the preparation of financial statements.

The financial statements have been delivered in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

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 financial statements were approved and authorised for issue by the members and were signed on their behalf on 29 DECEMBER 2017


Lawson Steele
Designated member

The notes on pages 5 to 12 form part of these financial statements.

Grayling Capital LLP

Reconciliation of members' interests For the year ended 31 March 2019

	EQUITY		
	Members' capital (classified as equity) £	Other reserves £	Total £
At incorporation	-	-	-
Profit for the period available for discretionary division among members	-	202,807	202,807
Members' interests after profit for the period	-	202,807	202,807
Other division of profits	-	(113,097)	(113,097)
Amounts introduced by members	1,030	-	1,030
Balance at 31 March 2018	1,030	89,710	90,740
Profit for the year available for discretionary division among members	-	1,056,847	1,056,847
Members' interests after profit for the year	1,030	1,146,557	1,147,587
Other division of profits	-	(1,135,823)	(1,135,823)
Repayment of capital	(10)	-	(10)
Balance at 31 March 2019	1,020	10,734	11,754

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of members' other interests.

Grayling Capital LLP

Notes to the financial statements For the year ended 31 March 2019

1. General information

Grayling Capital LLP is a limited liability partnership incorporated in England under the Limited Liability Partnership Act 2000. The address of the registered office is given on the information page and the nature of the LLP's principal activity is set out in the members' 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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The LLP'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.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the 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. 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 LLP 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.

Grayling Capital LLP

Notes to the financial statements For the year ended 31 March 2019

2. Accounting policies (continued)

2.4 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 LLP in independently administered funds.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. 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.

Depreciation is provided on the following basis:

Fixtures and fittings	- 20%	straight line
Office equipment	- 20%	straight line
Computer equipment	- 20%	straight line

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 in the statement of comprehensive income.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Grayling Capital LLP

Notes to the financial statements For the year ended 31 March 2019

2. Accounting policies (continued)

2.8 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Creditors

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

2.10 Financial instruments

The LLP only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the LLP would receive for the asset if it were to be sold at the balance sheet date.

Grayling Capital LLP

Notes to the financial statements For the year ended 31 March 2019

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

In preparing these financial statements, the members have had to make the following judgements:

Determine whether there are indicators of impairment of the LLP's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit, the viability and expected future performance of that unit.

Tangible fixed assets (see note 8)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

4. Turnover

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Intangible fixed assets - amortisation	746	715
Exchange differences	146	(1,143)
Tangible fixed assets - depreciation	<u>17,383</u>	<u>8,959</u>

6. Employees

The average monthly number of employees, including members, during the period was 4 (2018 - 5).

Grayling Capital LLP

Notes to the financial statements For the year ended 31 March 2019

7. Intangible assets

	Trademarks £
Cost	
At 1 April 2018	7,148
Additions	373
At 31 March 2019	<u>7,521</u>
Amortisation	
At 1 April 2018	715
Charge for the year	746
At 31 March 2019	<u>1,461</u>
Net book value	
At 31 March 2019	<u><u>6,060</u></u>
At 31 March 2018	<u><u>6,433</u></u>

Grayling Capital LLP

Notes to the financial statements For the year ended 31 March 2019

8. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2018	48,759	10,672	21,367	80,798
Additions	1,657	2,034	3,223	6,914
At 31 March 2019	<u>50,416</u>	<u>12,706</u>	<u>24,590</u>	<u>87,712</u>
Depreciation				
At 1 April 2018	4,845	1,212	2,902	8,959
Charge for the year on owned assets	10,037	2,482	4,864	17,383
At 31 March 2019	<u>14,882</u>	<u>3,694</u>	<u>7,766</u>	<u>26,342</u>
Net book value				
At 31 March 2019	<u>35,534</u>	<u>9,012</u>	<u>16,824</u>	<u>61,370</u>
At 31 March 2018	<u>43,914</u>	<u>9,460</u>	<u>18,465</u>	<u>71,839</u>

Grayling Capital LLP

Notes to the financial statements For the year ended 31 March 2019

9. Debtors

	2019 £	2018 £
Trade debtors	-	81,534
Amounts owed by related parties	564	27,486
Other debtors	9,372	12,538
Prepayments and accrued income	12,087	19,204
	<u>22,023</u>	<u>140,762</u>

10. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>248,730</u>	<u>126,247</u>

11. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	12,411	18,140
Amounts owed to group undertakings	8,421	-
Other taxation and social security	-	664
Other creditors	1,112	382
Accruals and deferred income	304,485	235,355
	<u>326,429</u>	<u>254,541</u>

12. Pension commitments

The entity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the entity to the fund and amounted to £1,644 (2018 - £859). Contributions totalling £Nil (2018 - £330) were payable to the fund at the balance sheet date and are included in creditors.

Grayling Capital LLP

Notes to the financial statements For the year ended 31 March 2019

13. Related party transactions

Included within debtors is an amount of £564 (2018 - £Nil) due from Windward Titan Limited, a company related by common directors/members. During the period the LLP paid expenses of £564 on behalf of the company.

Included within creditors is an amount of £5,883 (2018 - £27,486 debtor) due to Windward Global Limited, a company related by common directors/members. The movement in the period is due to both entities being part of the same VAT group.

Included within creditors is an amount of £2,538 (2018 - £nil) due to Windward Enterprises Limited, a company related by common directors/members. The movement in the period is due to both entities being part of the same VAT group.

14. Controlling party

In the opinion of the members, Oliver Millican is the controlling party.