

Grayling Capital LLP

Unaudited Financial Statements

Year Ended

31 March 2021

Company Number OC418709

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Grayling Capital LLP

Information

Designated Members

Stuart George
Lawson Steele
Oliver Millican

Members

John Reilly
David Taylor

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 2021

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 2021 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.

BDO LLP

BDO LLP
Chartered Accountants
Edinburgh
United Kingdom

7 February 2022

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 2021**

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	5	4,562	5,314
Tangible assets	6	2,217	55,186
		<u>6,779</u>	<u>60,500</u>
Current assets			
Debtors: amounts falling due within one year	7	115,244	70,475
Cash at bank and in hand	8	1,718	12,472
		<u>116,962</u>	<u>82,947</u>
Creditors: amounts falling due within one year	9	(248,310)	(261,876)
Net current liabilities		<u>(131,348)</u>	<u>(178,929)</u>
Total assets less current liabilities		<u>(124,569)</u>	<u>(118,429)</u>
Net liabilities		<u><u>(124,569)</u></u>	<u><u>(118,429)</u></u>

Grayling Capital LLP
Registered number: OC418709

Balance sheet (continued)
as at 31 March 2021

	2021 £	2020 £
Represented by:		
Loans and other debts due to members within one year		
Members' other interests		
Members' capital classified as equity	1,030	1,030
Other reserves classified as equity	(125,599)	(119,459)
	<u>(124,569)</u>	<u>(118,429)</u>
	<u>(124,569)</u>	<u>(118,429)</u>
Total members' interests		
Members' other interests	(124,569)	(118,429)
	<u>(124,569)</u>	<u>(118,429)</u>

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

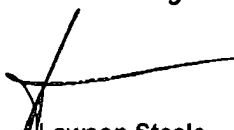
The entity was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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 31st JANUARY 2022


Lawson Steele
Designated member

The notes on pages 5 to 11 form part of these financial statements.

Grayling Capital LLP

Reconciliation of members' interests for the year ended 31 March 2021

	EQUITY		
	Members' capital (classified as equity) £	Members' other interests Other reserves £	Total £
Profit for the year available for discretionary division among members	-	337,119	337,119
Members' interests after profit for the year	1,020	347,853	348,873
Other division of profits	-	(467,312)	(467,312)
Amounts introduced by members	10	-	10
Balance at 31 March 2020	1,030	(119,459)	(118,429)
Profit for the year available for discretionary division among members	-	200,943	200,943
Members' interests after profit for the year	1,030	81,484	82,514
Other division of profits	-	(207,083)	(207,083)
Balance at 31 March 2021	1,030	(125,599)	(124,569)

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 2021

1. General information

Grayling Capital LLP is a limited liability partnership incorporated in England and Wales 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 Going concern

Management and Partners have reviewed Grayling Capital LLP's performance and determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern.

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 2021

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 profit or loss 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 profit or loss.

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 2021

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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 2021

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 judgments:

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. Employees

The average monthly number of employees, including members, during the period was 5 (2020 - 5).

5. Intangible assets

	Trademarks £
Cost	
At 1 April 2020	7,521
At 31 March 2021	7,521
Amortisation	
At 1 April 2020	2,207
Charge for the year on owned assets	752
At 31 March 2021	2,959
Net book value	
At 31 March 2021	4,562
At 31 March 2020	5,314

Grayling Capital LLP

Notes to the financial statements for the year ended 31 March 2021

6. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2020	52,416	14,096	33,034	99,546
Additions	-	-	3,240	3,240
Disposals	(52,416)	(14,096)	(33,574)	(100,086)
At 31 March 2021	-	-	2,700	2,700
Depreciation				
At 1 April 2020	25,066	6,402	12,892	44,360
Charge for the year on owned assets	2,218	567	2,230	5,015
Disposals	(27,284)	(6,969)	(14,639)	(48,892)
At 31 March 2021	-	-	483	483
Net book value				
At 31 March 2021	-	-	2,217	2,217
At 31 March 2020	27,350	7,694	20,142	55,186

7. Debtors

	2021 £	2020 £
Trade debtors	4,293	-
Amounts owed by related parties	78,929	28,696
Other debtors	12,509	26,964
Prepayments and accrued income	19,513	14,815
	<u>115,244</u>	<u>70,475</u>

8. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>1,718</u>	<u>12,472</u>

Grayling Capital LLP

Notes to the financial statements for the year ended 31 March 2021

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	16,990	39,744
Amounts owed to group undertakings	7,851	7,450
Other taxation and social security	-	1,584
Other creditors	40	10,519
Accruals and deferred income	223,429	202,579
	<u>248,310</u>	<u>261,876</u>

10. 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 £2,683 (2020 - £nil).

11. Related party transactions

Included within debtors 'amounts owed by related parties', is an amount of £52,488 (2020 - £nil) due from Bute Energy Limited, a company related by common directors/members. During the year fixed assets with a net book value of £51,197 were transferred to Bute Energy Ltd. Additionally the LLP paid expenses of £1,291 on behalf of Bute Energy Ltd.

Included within debtors 'amounts owed by related parties', is an amount of £26 (2020 - £13) due from Windward LS Limited, a company related by common directors/members. During the year the LLP paid expense of £13 (2020 - £13) for the company.

Included within debtors 'amounts owed by related parties', is an amount of £13 (2020 - £13) due from Windward SG Limited, a company related by common directors/members. During the year the LLP paid expense of £nil (2020 - £13) for the company.

Included within debtors 'amounts owed by related parties', is an amount of £13 (2020 - £nil) due from Storagefolk Limited, a company related by common directors/members. During the year the LLP paid expenses of £13 (2020 - £nil) for the company.

Included within debtors 'amounts owed by related parties', is an amount of £26,389 (2020 - £28,670) due to Windward Enterprises Limited, a company related by common directors/members. During the year the LLP paid expenses of £nil (2020 - £31,208) for the company. During the year £2,281 of the balance was settled.

Included within creditors 'amounts owed to related parties' is an amount of £Nil (2020 - £157) due to Windward Titan Limited, a company related by common directors/members. During the year the LLP received £nil (2020 - £721) from the company. During the year the loan was written off.

Included within creditors amount owed to related parties is an amount of £7,851 (2020 - £7,293) due to Windward Global Limited, a company related by common directors/members. During the year the balance increased by £558 (2020 - £1,410) for transactions in the year.

Grayling Capital LLP

Notes to the financial statements for the year ended 31 March 2021

12. Controlling party

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