

SEP Ventures Limited

**Directors' report and financial
statements**

**Registered number SC189451
for the year ended 30 June 2014**



Contents

Directors' report	1
Statement of Directors' responsibilities in respect of the Directors' report and the financial statements	2
Independent Auditor's report to the Members of SEP Ventures Limited	3
Profit and loss account	4
Reconciliation of movements in shareholders' funds	4
Balance sheet	5
Notes	6

Directors' report

The Directors of SEP Ventures Limited ("the Company") present their annual report and the audited financial statements for the year ended 30 June 2014. The Directors who held office during the year were:

Calum Paterson

Andrew Davison

Brian Kerr (resigned 31 July 2013)

Stuart Paterson

Richard Sparrow

David Sneddon

Principal activities

In the year the Company has continued to act as an intermediate holding company and has not traded.

Business review

Turnover comprises profit share allocation from Scottish Equity Partners LLP. The retained profit of the Company for the year of £469,959 (2013: £629,038) has been transferred to reserves.

Proposed dividend

The Directors do not recommend payment of a dividend (2013: nil).

Political and charitable contributions

The Company made no political or charitable contributions during the year (2013: nil).

Disclosure of qualifying third party indemnity provisions

At the date of this report, indemnities are in force under which the Directors are entitled to be indemnified, to the extent permitted by law and the Company's articles of association, in respect of any losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company.

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's Auditors are unaware, and each Director has taken all the steps he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the Auditors will be deemed to be re-appointed and Deloitte LLP will therefore continue in office.

Small companies exemption

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Small Entities (Effective April 2008).

By order of the Board



Calum Paterson
Director

17 Blythswood Square
Glasgow
G2 4AD

1 October 2014

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the 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 Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give 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 judgments 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 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.

Independent Auditor's report to the Members of SEP Ventures Limited

We have audited the financial statements of SEP Ventures Limited for the year ended 30 June 2014 which comprise the Profit and Loss Account, Reconciliation of movements in shareholders' funds, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of Directors and Auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of its profit 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.

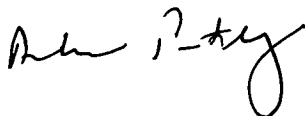
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.



Andrew Partridge CA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Glasgow, United Kingdom
1 October 2014

Profit and loss account
for the year ended 30 June 2014

	<i>Note</i>	2014 £	2013 £
Turnover		668,405	871,852
Operating expenses		-	-
Operating profit		668,405	871,852
Other interest receivable and similar income	4	560	40
Interest payable and similar charges	5	(162)	(84)
Profit on ordinary activities before taxation		668,803	871,808
Tax on profit on ordinary activities	6	(198,844)	(242,770)
Profit on ordinary activities after taxation		469,959	629,038

Reconciliation of movements in shareholders' funds
for the year ended 30 June 2014

	2014 £	2013 £
Profit for the financial year	469,959	629,038
Net increase to shareholders' funds	469,959	629,038
Opening shareholders' funds	4,346,741	3,717,703
Closing shareholders' funds	4,816,700	4,346,741

The notes on pages 6 to 9 form part of these financial statements.

All items in the profit and loss account derive from continuing activities.

The company (registered number SC189451) has no recognised gains and losses other than those included in the profit and loss account and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet
as at 30 June 2014

	<i>Note</i>	2014 £	2013 £
Investment in group undertakings	7	2,104,093	2,104,093
Current assets			
Debtors	8	4,013,941	3,344,323
Cash at bank and in hand		283,641	282,612
		4,297,582	3,626,935
Creditors: amounts falling due within one year	9	(1,584,975)	(1,384,287)
Net current assets		2,712,607	2,242,648
Total assets less current liabilities		4,816,700	4,346,741
Net assets		4,816,700	4,346,741
Capital and reserves			
Called up share capital	10	52,750	52,750
Share premium		25,010	25,010
Capital redemption reserve		47,250	47,250
Profit and loss account	11	4,691,690	4,221,731
Shareholders' funds attributable to equity interests		4,816,700	4,346,741

These financial statements have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 6 to 9 form part of these financial statements.

These financial statements were approved by the board of Directors on 1 October 2014 and were signed on its behalf by:



Calum Paterson
Director

Notes (forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime and the Financial Reporting Standard for Smaller Entities (Effective April 2008) ('FRSSE') under the historical cost convention.

The company is an intermediate holding company and advantage has been taken of the exemption in section 401 of the Companies Act 2006 not to prepare consolidated financial statements.

The company has taken advantage of the exemptions of FRS 1 (Revised 1996): Cash Flow Statements and has elected not to prepare its own cash flow statement as it is included within the Consolidated Statement of Cash Flows in the financial statements of Scottish Equity Partners LLP, its ultimate parent undertaking.

Going Concern

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover represents profit share allocation from Scottish Equity Partners LLP and is recognised when the Company becomes entitled to the distribution.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is accounted for on an undiscounted basis at expected tax rates on all timing differences. Deferred tax assets are only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the timing differences and tax losses can be deducted.

Related party transactions

FRS 8 'Related Party Disclosures' requires disclosure of the details of material transactions between the reporting entity and related parties. The company has taken advantage of the exemptions in FRS 8 not to disclose transactions between group entities which eliminate on consolidation.

Investment in group undertakings

The investment in the membership of Scottish Equity Partners LLP is held at the book value of the net assets transferred.

Investments in subsidiary undertakings are held at cost less provision for permanent impairment.

2 Auditor's remuneration

The remuneration of the Auditor in respect of the statutory audit was £800 (2013: £675) and was paid by the ultimate parent company.

Notes (continued)

3 Remuneration of Directors

None of the Directors received any emoluments in respect of their services to the company in the current or prior year.

The company has no employees in the current or prior year.

4 Other interest receivable and similar income

	2014 £	2013 £
Bank interest received	556	8
Corporation tax interest received	4	32
	<hr/> 560	<hr/> 40
	<hr/> <hr/>	<hr/> <hr/>

5 Interest payable and similar charges

	2014 £	2013 £
Bank charges	162	84
	<hr/>	<hr/>

6 Taxation

	2014 £	2013 £
UK corporation tax		
Current tax on income for the year	198,844	243,698
Prior year tax adjustment	-	(928)
	<hr/> 198,844	<hr/> 242,770
	<hr/> <hr/>	<hr/> <hr/>

Factors affecting current tax charge for the year:

	2014 £	2013 £
Profit on ordinary activities before tax	668,803	871,808
	<hr/>	<hr/>
Corporation tax at 22.5% (2013: 23.75%)	150,490	207,060
	<hr/>	<hr/>
<i>Effects of:</i>		
Expenses not deductible for tax purposes	48,354	36,638
	<hr/>	<hr/>
	<hr/> <hr/> 198,844	<hr/> <hr/> 243,698

Notes (continued)

7 Investment in group undertakings

The company is a member of its ultimate parent undertaking, Scottish Equity Partners LLP. The carrying value of this membership at 30 June 2014 was £2,104,093 (2013: £2,104,093).

As at 30 June 2014 the subsidiary undertakings of the company, all of which operate in the UK, are as follows:

Subsidiary	Nature of business	Country of incorporation	Company interest	Profit and loss £	Capital and reserves £
SEP II GP Limited	General Partner	Scotland	100%	(2,824)	238,721
SEP II Founder Partner GP Limited	General Partner	Scotland	100%	22	(2,182)
SEP Ireland Limited	Investment Advisor	Scotland	100%	(8,594)	9,492
SEP III GP Limited	General Partner	Scotland	100%	359	402,759
SEP IV General Partner Limited	General Partner	Scotland	100%	103,429	110,156
SEP EEF General Partner Limited	General Partner	Scotland	100%	66	67

The following entities are subsidiaries undertakings held by other group companies.

Subsidiary	Nature of business	Country of incorporation	Interest	Profit and loss £	Capital and reserves £
SEP IV GP LLP	General Partner	Scotland	100%	-	-
SEP EEF GP LLP	General Partner	Scotland	100%	-	-

8 Debtors

	2014 £	2013 £
Amounts due from ultimate parent undertaking	4,009,932	3,341,527
Amounts due from group undertaking	1,087	1,087
Other taxes due	2,922	1,709
	<u>4,013,941</u>	<u>3,344,323</u>

9 Creditors: amounts falling due within one year

	2014 £	2013 £
Group relief payable	1,584,975	1,384,287
	<u>1,584,975</u>	<u>1,384,287</u>

Group relief payable to SEP II GP Limited, SEP III GP Limited and SEP IV General Partner Limited is in respect of excess management expenses available for surrender. SEP III GP Limited and SEP IV General Partner Limited receive advance profit share from funds within the Scottish Equity Partners group and pay management charges to Scottish Equity Partners LLP.

Notes (continued)

10 Called up share capital

	2014 £	2013 £
Authorised		
Equity: 100,000 ordinary shares of £1 each	100,000	100,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
Equity: 52,750 ordinary shares of £1 each (2013: 52,750)	52,750	52,750
	<hr/>	<hr/>

11 Profit and loss account

	2014 £	2013 £
At beginning of year	4,221,731	3,592,693
Profit for the year	469,959	629,038
	<hr/>	<hr/>
At end of year	4,691,690	4,221,731
	<hr/>	<hr/>

12 Commitments

There are no annual commitments under non-cancellable operating leases in the current or prior year.

13 Ultimate Parent Undertaking

The Company's immediate and ultimate parent undertaking is Scottish Equity Partners LLP. The company is consolidated into the Scottish Equity Partners LLP financial statements only.

A copy of the consolidated financial statements of Scottish Equity Partners LLP is available from:

Scottish Equity Partners LLP, 17 Blythswood Square, Glasgow, G2 4AD.