

SEP Ventures Limited

**Directors' report and financial
statements**

Registered number SC189451
for the year ended 30 June 2018



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
Income statement	5
Statement of financial position	6
<i>Statement of changes in equity</i>	7
Notes	8

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 2018. The Directors who held office during the year were:

Calum Paterson

Andrew Davison

Stuart Paterson

David Sneddon

Proposed dividend

The Directors do not recommend the payment of a dividend (2017: nil).

Political and charitable contributions

The Company made no political or charitable contributions during the year (2017: 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

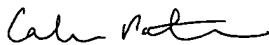
Auditors

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' exemption.

By order of the Board



Calum Paterson
Director

17 Blythswood Square
Glasgow
G2 4AD

11 October 2018

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), including FRS 102 "The financial reporting standard applicable in the UK and Republic of Ireland".

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

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of SEP Ventures Limited (the 'company') which comprise:

- the income statement;
- the statement of financial position;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

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

(continued)

Responsibilities of Directors

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' report.

Matters on which we are required to report by exception

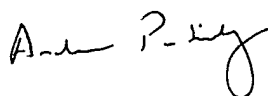
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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.



Andrew Partridge CA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom
11 October 2018

Income statement
for the year ended 30 June 2018

	<i>Note</i>	2018 £	2017 £
Other interest receivable and similar income	2	18	2
Interest payable and similar expenses	3	(97)	(78)
Loss on ordinary activities before taxation		(79)	(76)
Tax charge on loss	4	(34,436)	(35,796)
Loss for the financial year		(34,515)	(35,872)

The notes on pages 8 to 11 form part of these financial statements.

All items in the income statement derive from continuing activities.

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

Statement of financial position

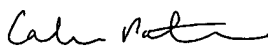
as at 30 June 2018

	Note	2018 £	2017 £
Investment in group undertakings	5	4,380,241	4,380,241
Current assets			
Debtors	6	1,087	1,087
Cash at bank and in hand		21,154	21,233
		22,241	22,320
Creditors: amounts falling due within one year	7	(1,741,780)	(1,707,344)
Net current liabilities		(1,719,539)	(1,685,024)
Total assets less current liabilities		2,660,702	2,695,217
Net assets		2,660,702	2,695,217
Capital and reserves			
Called up share capital	8	52,750	52,750
Share premium		25,010	25,010
Capital redemption reserve		47,250	47,250
Profit and loss account	9	2,535,692	2,570,207
Shareholders' funds attributable to equity interests		2,660,702	2,695,217

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

The notes on pages 8 to 11 form part of these financial statements.

These financial statements were approved by the board of Directors on 11 October 2018 and were signed on its behalf by:



Calum Paterson
Director

Statement of changes in equity
as at 30 June 2018

	Called up share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 July 2016	52,750	25,010	47,250	2,606,079	2,731,089
Total comprehensive income	-	-	-	(35,872)	(35,872)
At 30 June 2017	52,750	25,010	47,250	2,570,207	2,695,217
Total comprehensive income	-	-	-	(34,515)	(34,515)
At 30 June 2018	52,750	25,010	47,250	2,535,692	2,660,702

Notes (forming part of the financial statements)

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

SEP Ventures Limited ("the Company") is a private company limited by shares incorporated in the United Kingdom under the Companies Act. The address of the registered office is 17 Blythswood Square, Glasgow, Scotland, G2 4AD.

The financial statements have been prepared under the historical cost convention and in accordance with the provisions of Financial Reporting Standard 102 (FRS 102) Section 1A 'Small entities', issued by the Financial Reporting Council.

The functional currency of SEP Ventures Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

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.

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.

Taxation

Taxation is based on the profit or loss 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.

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.

Notes (continued)

2 Other interest receivable and similar income

	2018 £	2017 £
Bank interest received	18	2

3 Interest payable and similar expenses

	2018 £	2017 £
Bank charges	97	78

4 Taxation

	2018 £	2017 £
Current tax on loss on ordinary activities		
Group relief	34,436	35,796
Total current tax	34,436	35,796
Total tax on loss on ordinary activities	34,436	35,796

The tax for the year can be reconciled to the loss per the income statement as follows:

Loss on ordinary activities before tax	(79)	(76)
Corporation tax at 19% (2017: 19.75%)	(15)	(15)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	34,451	35,811
Tax charge for the year	34,436	35,796

Notes (continued)

5 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 2018 was £4,380,241 (2017: £4,830,241).

As at 30 June 2018 the subsidiary undertakings of the company, all of which have a business address at 17 Blythswood Square, Glasgow G2 4AD and 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%	-	236,605
SEP II Founder Partner GP Limited	General Partner	Scotland	100%	-	(2,161)
SEP III GP Limited	General Partner	Scotland	100%	173	654,286
SEP IV General Partner Limited	General Partner	Scotland	100%	(285,686)	(446,901)
SEP V General Partner Limited	General Partner	Scotland	100%	35,632	35,633
SEP EEF General Partner Limited	General Partner	Scotland	100%	-	435,225
SEP ECF General Partner Limited	General Partner	Scotland	100%	-	90,778
SEP IV GP Founder Partner LLP	General Partner	Scotland	100%	-	-
SEP EEF GP Founder Partner LLP	General Partner	Scotland	100%	-	-
SEP ECF GP Founder Partner LLP	General Partner	Scotland	100%	-	-
SEP V GP Founder Partner LLP	General Partner	Scotland	100%	(24,271)	(36,425)

The following entities all of which have a business address at 17 Blythswood Square, Glasgow G2 4AD are subsidiaries undertakings held by other group companies.

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

6 Debtors

	2018 £	2017 £
Amounts due from group undertaking	1,087	1,087
	<u>1,087</u>	<u>1,087</u>

Notes (continued)

7 Creditors: amounts falling due within one year

	2018 £	2017 £
Group relief payable	1,741,780	1,707,344
	<u>1,741,780</u>	<u>1,707,344</u>

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

8 Called up share capital

	2018 £	2017 £
<i>Authorised</i> Equity: 100,000 ordinary shares of £1 each	100,000	100,000
<i>Allotted, called up and fully paid</i> Equity: 52,750 ordinary shares of £1 each (2017: 52,750)	<u>52,750</u>	<u>52,750</u>

9 Profit and loss account

	2018 £	2017 £
At beginning of year	2,570,207	2,606,079
Loss for the year	(34,515)	(35,872)
At end of year	<u>2,535,692</u>	<u>2,570,207</u>

10 Commitments

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

11 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 and is the largest and smallest group for which consolidated accounts are prepared.

A copy of the consolidated financial statements of Scottish Equity Partners LLP is available at the registered office: Scottish Equity Partners LLP, 17 Blythswood Square, Glasgow, G2 4AD.