

17 Capital Services Limited

Annual Report and Financial Statements

Year Ended

31 March 2021

Company Number SC344474



17 Capital Services Limited

Company Information

Directors	P A de Selancy A Duhamel O Pritchard
Company secretary	Burness Paull LLP
Registered number	SC344474
Registered office	50 Lothian Road Festival Square Edinburgh EH3 9WJ
Independent auditors	BDO LLP 55 Baker Street London W1U 7EU

17 Capital Services Limited

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17 Capital Services Limited

Strategic Report For the Year Ended 31 March 2021

Introduction

The Directors present their report and the financial statements of 17 Capital Services Limited ("the Company") for the year ended 31 March 2021.

Business review

The principal activity during the year was to act as a service company for 17Capital Fund 2 L.P., 17Capital Fund 3 L.P., 17Capital Fund 4 L.P., and their general partners 17 Capital LLP, 17Capital Luxembourg GP s.a.r.l., 17Capital (Scots GP 4) LLP and 17Capital Fund 5 Luxembourg GP Sarl. In addition, from 1 October 2019 it provided services to 17Capital Fund 3 Luxembourg S.C.Sp., 17Capital Fund 4 Luxembourg S.C.Sp., 17Capital Fund 5 EUR S.C.Sp., 17Capital Fund 5 USD S.C.Sp., 17Capital Fund 5 Co-Investment S.C.Sp., 17Capital Credit Fund USD S.C.Sp. and 17Capital Credit Fund EUR S.C.Sp.

During the year the Company generated turnover of £19.0m (2020 - £14.1m) and profit before tax of £0.9m (2020 - £0.5m).

The Company had reserves of £1.4m at 31 March 2021 (2020 - £0.5m) and cash balances amounted to £1.8m (2020 - £1.9m).

Financial key performance indicators ("KPIs")

Given the nature of the business, the Directors believe the use of additional KPIs in this report for understanding the development, position or performance of the Company is not necessary. The KPIs of the Company provided above are turnover, profit before tax, reserves and cash.

Principal risks and uncertainties

The Directors are responsible for evaluating and managing the Company's risks and uncertainties. Appropriate policies and procedures have been put in place to ensure risks affecting the business relating to investment management services are managed accordingly.

The Directors consider the principal risks and uncertainties impacting the Company to be continuity of the Funds to be raised and managed by the Company, retention of key staff and the financial liquidity of the Company, all of which are managed by the Directors and Company's employees on their behalf of the Company.

The Directors have considered the Company's exposure to liquidity and cash flow risk and have suitable policies and procedures in place to monitor these risks.

17 Capital Services Limited

Strategic Report (continued) For the Year Ended 31 March 2021

Going Concern

In early 2020, the existence of a new coronavirus, now known as COVID-19, was confirmed and since this time COVID-19 has spread across a significant number of countries and has been classified as a pandemic by the World Health Organisation.

The Directors have considered the position of 17 Capital Services Limited and the wider Group at the date of signing these financial statements and have determined that they have sufficient cash levels to cover the fixed needs of the Group for the following 12 months from the signing of this report. Moreover, the Group has recently been successful in raising new funds and continues to do so in the current environment. The contractual management fees of the Group give sufficient headroom to ensure that the Group and 17 Capital Services Limited will continue to meet liabilities as they fall due for the foreseeable future and the Group is comfortable that the credit quality of Limited Partners of the Funds under management is such that they will continue to meet their commitments.

The Group have successfully enacted business continuity measures which should ensure that the Group can continue to function with minimal disruption to its business activities. The Group has a strong financial and operational control infrastructure and the key management personnel have substantial experience in business or operational management. The Directors believe that the Group will be able to continue to function with minimal disruption in the circumstance that one or more of the key management personnel were unable to work as a consequence of COVID-19.

Given the nature of the business and its activities, the Directors also consider that the impact of COVID-19 will not materially affect the ability of 17 Capital Services Limited to continue to generate value in the long term. The Directors confirm that there is no intention to change the business activity or cost base as a result of COVID-19.

Based on these factors, the Directors believe that it is appropriate to continue to prepare these financial statements on a going concern basis.

17 Capital Services Limited

Strategic Report (continued) For the Year Ended 31 March 2021

Section 172 Statement

The Directors of the Company discharge their duties under Section 172 of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole as set out in the Business Review on page 1. In considering this duty the Directors consider the following stakeholders of the Company:

Employees:

The Company appreciates and understands the importance of the role of each of its employees and through regular company meetings is able to keep all employees up to speed with key initiatives. As 17 Capital LLP, the parent entity, is a UK FCA regulated Firm, the company provides regular training to ensure all employees are kept up to date with relevant rules and regulations. The company has continued to grow its headcount over the past year and prides itself on being an equal opportunities employer.

Investors:

The 17Capital Group has a significant and varied institutional and professional investor base. It does not have any retail investors. It has always been an investor focussed organisation.

Suppliers:

The Company has a number of key global vendor relationships which work more as a partnership than the traditional vendor client relationship which helps to ensure the smooth running of the business.

Community and the environment:

The 17Capital Group partners with EPIC, a global non profit start up which amplifies people's potential to make a difference through giving, and has entered into a sharing pledge, provided pro bono office space and sponsored their events.

The 17Capital Group became a UN PRI signatory on 1 April 2021, meaning it has committed to implementing the six Principles for Responsible Investment set out by the UNPRI (the "Principles") and will contribute to developing a more sustainable global financial system.

This report was approved by the board and signed on its behalf.



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O Pritchard
Director

Date: 29 June 2021

17 Capital Services Limited

Directors' Report For the Year Ended 31 March 2021

The Directors present their report and the financial statements for the year ended 31 March 2021.

Results and dividends

The profit for the year, after taxation, amounted to £857,031 (2020 - £501,730).

During the year, dividends of £Nil (2020 - £450,000) were paid to the shareholder.

Information on the business review, future events and principal risks of the Company has been included in the strategic report on page 1.

Directors

The Directors who served during the year were:

P A de Selancy
A Duhamel
O Pritchard (appointed 17 August 2020)

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



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O Pritchard
Director

Date: 29 June 2021

17 Capital Services Limited

Directors' Responsibilities Statement For the Year Ended 31 March 2021

The Directors are responsible for preparing the Directors' 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 judgements 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 to 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.

17 Capital Services Limited

Independent Auditor's Report to the Members of 17 Capital Services Limited

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of the 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.

We have audited the financial statements of 17 Capital Services Limited ("the Company") for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. 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

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

17 Capital Services Limited

Independent Auditor's Report to the Members of 17 Capital Services Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

Other Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic report and the Directors' report have 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 material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' Report, 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:

17 Capital Services Limited

Independent Auditor's Report to the Members of 17 Capital Services Limited (continued)

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management regarding known or suspected instances of non-compliance with laws and regulations
- Communicating identified laws and regulations throughout our team and remaining alert to any indications of non-compliance
- Evaluating that the Company's control environment is adequate for its size and is designed appropriately

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Vanessa Bradley
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Vanessa-Jayne Bradley (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

Date: 29 June 2021

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

17 Capital Services Limited

Statement of Comprehensive Income For the Year Ended 31 March 2021

	Note	2021 £	2020 £
Turnover	4	18,959,017	14,149,979
Administrative expenses		(18,788,918)	(13,474,583)
Operating profit	5	170,099	675,396
Dividends received		766,191	-
Interest receivable and similar income		6,071	-
Interest payable and similar expenses		-	(1,590)
Profit before tax		942,361	673,806
Tax on profit	8	(85,330)	(172,076)
Profit and total comprehensive income for the year		857,031	501,730

There was no other comprehensive income for 2021 (2020 - £Nil).


The notes on pages 12 to 21 form part of these financial statements.

17 Capital Services Limited
Registered number: SC344474

Statement of Financial Position
As at 31 March 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible fixed assets	9		497,034		609,377
Investments	10		38,159		38,159
			<u>535,193</u>		<u>647,536</u>
Current assets					
Debtors: amounts falling due within one year	11	7,246,676		9,928,052	
Cash at bank and in hand		1,771,940		1,888,789	
		<u>9,018,616</u>		<u>11,816,841</u>	
Current liabilities					
Creditors: amounts falling due within one year	12	(8,169,950)		(11,937,549)	
Net current assets/(liabilities)			<u>848,666</u>		<u>(120,708)</u>
Net assets			<u><u>1,383,859</u></u>		<u><u>526,828</u></u>
Capital and reserves					
Called up share capital	13		1		1
Profit and loss account	14		1,383,858		526,827
Total equity			<u><u>1,383,859</u></u>		<u><u>526,828</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 June 2021.



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O Pritchard
Director

The notes on pages 12 to 21 form part of these financial statements.

17 Capital Services Limited

Statement of Changes in Equity For the Year Ended 31 March 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	1	526,827	526,828
Comprehensive income for the year			
Profit for the year	-	857,031	857,031
Total comprehensive income for the year	-	857,031	857,031
At 31 March 2021	1	1,383,858	1,383,859

Statement of Changes in Equity For the Year Ended 31 March 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2019	1	475,097	475,098
Comprehensive income for the year			
Profit for the year	-	501,730	501,730
Total comprehensive income for the year	-	501,730	501,730
Dividends: Equity capital	-	(450,000)	(450,000)
Total transactions with owners	-	(450,000)	(450,000)
At 31 March 2020	1	526,827	526,828

The notes on pages 12 to 21 form part of these financial statements.

17 Capital Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

1. General information

17 Capital Services Limited is a company limited by shares and incorporated in Scotland under the Companies Act. The address of the registered office is given on the Company Information page and the nature of the company's operations and its principal activity are set out in the Directors' 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Details of the consolidated accounts in which the equivalent disclosures are included can be found in note 18.

2.3 Consolidated financial statements

The financial statements contain information about 17 Capital Services Limited as an individual company and do not contain consolidated financial information as the parent of the group. The company has taken advantage of the exemption conferred by section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in EEA group accounts of a larger group.

17 Capital Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

2. Accounting policies (continued)

2.4 Going concern

In early 2020, the existence of a new coronavirus, now known as COVID-19, was confirmed and since this time COVID-19 has spread across a significant number of countries and has been classified as a pandemic by the World Health Organisation.

The Directors have considered the position of 17 Capital Services Limited and the wider Group at the date of signing these financial statements and have determined that they have sufficient cash levels to cover the fixed needs of the Group for the following 12 months from the signing of the financial statements. Moreover, the Group has recently been successful in raising new funds and continues to do so in the current environment. The contractual management fees of the Group give sufficient headroom to ensure that the Group and 17 Capital Services Limited will continue to meet liabilities as they fall due for the foreseeable future and the Group is comfortable that the credit quality of Limited Partners of the Funds under management is such that they will continue to meet their commitments.

The Group have successfully enacted business continuity measures which should ensure that the Group can continue to function with minimal disruption to its business activities. The Group has a strong financial and operational control infrastructure and the key management personnel have substantial experience in business or operational management. The Directors believe that the Group will be able to continue to function with minimal disruption in the circumstance that one or more of the key management personnel were unable to work as a consequence of COVID-19.

Given the nature of the business and its activities, the Directors also consider that the impact of COVID-19 will not materially affect the ability of 17 Capital Services Limited to continue to generate value in the long term. The Directors confirm that there is no intention to change the business activity or cost base as a result of COVID-19.

Based on these factors, the Directors believe that it is appropriate to continue to prepare these financial statements on a going concern basis.

2.5 Turnover

Turnover represents transaction and service fees and is recognised in the period in which the transaction occurs or services are provided.

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.

The estimated useful lives range as follows:

Leasehold improvements	-	Shorter of estimated useful life and the lease term
Motor vehicles	-	25% reducing balance per annum
Fixtures and fittings	-	Straight line over 3 years
Office equipment	-	Straight line over 3 years

The nature of the company's works of art are such that their residual value is considered by the directors to equate to cost and therefore no depreciation arises on these assets in the year.

17 Capital Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

2. Accounting policies (continued)

2.7 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Administrative expenses

Expenses includes all costs and expenses properly and reasonably incurred in connection with or relating to the constitution, administration, management, operation and business of the Company. All items of expense are recognised on an accruals basis. These include items such as staff costs, legal and professional fees, auditors' remuneration, expenses incurred on behalf of the US subsidiary, and any other reasonable and proper expenses incurred in relation to the business of the Company.

2.9 Financial assets

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

2.10 Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

2.11 Foreign currency translation

The financial statements are presented in 'sterling', which is the company's functional and presentation currency.

Foreign currency transactions are translated into sterling at the average rates for the month in which the transactions took place. Foreign currency monetary assets and liabilities are translated at the rates ruling at the Statement of Financial Position date. Any differences are taken to the Statement of Comprehensive Income.

2.12 Leased assets

All leases are treated as operating leases and not classified as finance leases. Their annual rentals are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.14 Pensions

Contributions to the company's defined contribution pension scheme are charged to the income statement in the year in which they become payable.

17 Capital Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

2. Accounting policies (continued)

2.15 Current and deferred taxation

Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

In preparing these financial statements, the directors have made the following judgements:

- Determine the profile for matching costs of the placement agents to future revenue received. In order to determine this profile, management have considered the contracts of the placement agent fees along with the expected future timing of the revenue related to the work done by the placement agents within forecasts prepared.
- Determine whether there are indicators of impairment of the company's tangible assets and fixed asset investments. 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.

4. Turnover

All turnover arose within the United Kingdom.

The whole of the turnover is attributable to the company's principal activity.

17 Capital Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

5. Operating profit

The operating profit is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	186,879	188,021
Profit on disposal of fixed assets	(2,729)	-
Exchange differences	(49,718)	(120,446)
Hire of other assets - operating leases	357,723	356,807
Fees payable to the company's auditors:		
- Audit of the company's annual accounts	12,050	14,919
- Audit of the annual accounts of other group entities	18,146	-
- Taxation services	49,200	50,596
- Other services	8,007	8,804
	<u>357,723</u>	<u>356,807</u>

6. Employees

Staff costs, including Directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	8,747,459	5,275,899
Social security costs	1,176,174	754,013
Cost of defined contribution scheme	642,671	374,230
	<u>10,566,304</u>	<u>6,404,142</u>

The average number of employees (including directors) during the year was 36 (2020 - 32).

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £642,671 (2020 - £374,230). There were outstanding pension contributions at the year end of £122,173 included in other creditors (2020 - £37,608).

7. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	367,898	87,746
	<u>367,898</u>	<u>87,746</u>

The highest paid director received remuneration of £291,336.

17 Capital Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

8. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	85,445	173,757
Adjustments in respect of previous periods	(115)	(1,681)
	<u>85,330</u>	<u>172,076</u>
Taxation on profit on ordinary activities	85,330	172,076

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19.00% (2020 - 19.00%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	942,361	673,806
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	179,049	128,023
Effects of:		
Expenses not deductible for tax purposes, other than impairment	12,616	19,203
Fixed asset depreciation not eligible for capital allowances	10,674	5,014
Adjust opening and closing deferred tax to average rate of 19.00%	-	4,379
Adjustments to tax charge in respect of prior periods	(115)	(1,681)
Deferred tax not recognised	28,682	17,138
Dividend income not taxable	(145,576)	-
Total tax charge for the year	85,330	172,076

There were no factors that may affect future tax charges.

17 Capital Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

9. Tangible fixed assets

	Long-term leasehold improvements £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Works of art £	Total £
Cost						
At 1 April 2020	601,589	169,685	79,032	141,654	74,265	1,066,225
Additions	33,742	80,995	-	12,070	-	126,807
Disposals	-	(110,735)	-	-	-	(110,735)
At 31 March 2021	635,331	139,945	79,032	153,724	74,265	1,082,297
Depreciation						
At 1 April 2020	224,940	78,944	59,771	93,193	-	456,848
Charge for the year	114,592	23,212	13,180	35,895	-	186,879
Disposals	-	(58,464)	-	-	-	(58,464)
At 31 March 2021	339,532	43,692	72,951	129,088	-	585,263
Net book value						
At 31 March 2021	295,799	96,253	6,081	24,636	74,265	497,034
At 31 March 2020	376,649	90,741	19,261	48,461	74,265	609,377

17 Capital Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

10. Fixed asset investments

	Investments in subsidiary company £
Cost	
At 1 April 2020	38,159
At 31 March 2021	<u>38,159</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the company:

Name	Registered office	Proportion of voting rights and common stock held
17Capital Americas Inc.	2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, New Castle County, USA	100%

11. Debtors: amounts falling receivable within one year

	2021 £	2020 £
Amounts owed by group undertakings	6,390,136	3,277,313
Fund debtors	-	5,378,971
Other debtors	452,074	840,157
Prepayments and accrued income	383,220	431,611
Corporation tax recoverable	21,246	-
	<u>7,246,676</u>	<u>9,928,052</u>

17 Capital Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

12. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	78,764	112,004
Amounts owed to group undertakings	1,367,155	9,636,723
Corporation tax	-	78,430
Fund creditors	5,084,978	1,434,155
Other creditors	249,654	286,963
Accruals and deferred income	1,389,399	389,274
	<u>8,169,950</u>	<u>11,937,549</u>

13. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1 (2020 - 1) ordinary share of £1	<u>1</u>	<u>1</u>

The Ordinary shares entitle the shareholders to vote at general meetings of the company. Each Ordinary shareholder attending in person or by proxy is entitled to one vote on a show of hands or on a poll, each Ordinary shareholder attending in person or by proxy is entitled to one vote in respect of each Ordinary share they hold.

14. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents cumulative profits and losses, net of dividends paid and other adjustments.

17 Capital Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

15. Commitments under operating leases

At 31 March 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	456,243	456,243
Later than 1 year and not later than 5 years	684,364	1,140,606
	<u>1,140,607</u>	<u>1,596,849</u>

16. Related party transactions

Included within other debtors is an amount of £Nil (2020 - £370,000) due from P A de Selancy, a Director of the company.

Included within fund creditors is an amount of £1,361,071 due to 17Capital (Scots GP 4) LLP, an entity under common control (2020 - £5,315,735 due from 17Capital (Scots GP 4) LLP included in fund debtors).

17. Ultimate parent company and parent undertaking of larger group

The directors regard 17 Capital LLP, a Limited Liability Partnership established in the United Kingdom, as the immediate parent entity. The ultimate parent company is Vicuna Holdings Limited.

The smallest group in which the results of the company are consolidated is that headed by 17 Capital LLP. The company's results are also consolidated into 17Capital Newco Limited and Vicuna Holdings Limited, incorporated in the United Kingdom. The consolidated accounts of these entities are available to the public and may be obtained from Companies House. No other group accounts include the results of the company.

The ultimate controlling party is P A de Selancy, by virtue of his shareholding in the ultimate parent company.

18. Post balance sheet events

There were no adjusting or non-adjusting events affecting the financial statements after the reporting date.