EQUISTONE

EQUISTONE PVLP PARTNER LIMITED

Annual Report and Audited Financial Statements
For the Year Ended 31 December 2018

REGISTERED NUMBER: 02156192

CONTENTS

Directors' Report

The Directors present their annual report together with the audited financial statements for the Company for the year ended 31 December 2018.

This report has been prepared in accordance with the special provisions relating to small companies.

Directors

The Directors of the Company, who served during the year and up to the date of signing the financial statements are as shown below:

O Clarke
C Marriott
R Myers (resigned 12 December 2018)
S Whitaker

Principal activities

The Company is the corporate member of Equistone PVLP GP LLP, to whom it assigned its general partner interest in Equistone Private Equity PVLP LP (the "Fund").

Review of the business

The Company's revenue is derived from an allocation of profit from Equistone PVLP GP LLP. For the year ended 31 December 2018 total revenue amounted to £nil (2017: £1,000). The Company's main costs are professional fees.

During the year the Company made a loss after tax of £13,000 (2017: loss of £17,000).

The Directors intend to continue the Company's principal activity until the Fund has realised all of its investments.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 also responsible for safeguarding the assets of the Company and hence for taking reasonable

Directors' Report (continued)

Statement of Directors' responsibilities (continued)

steps for the prevention and detection of fraud and other irregularities.

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.

Dividends

No interim dividends were paid during the year (2017: £nil) and no final dividend has been declared (2017: nil).

Directors' third party indemnity provisions

The Company has professional indemnity insurance in place in respect of the duties of the Directors.

Disclosure of information to auditors

The Directors who held office at the date of approval of the Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken the necessary action to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Strategic report

The Directors have taken advantage of the exemption applying to small companies and have not prepared a Strategic Report.

Independent auditors

PricewaterhouseCoopers LLP will continue to hold office in accordance with section 487 of the Companies Act 2006.

The financial statements on pages 7 to 13 were approved by the Board of Directors on 23 April 2019 and signed on its behalf by:

Steven Whitaker
Director
23 April 2019

Independent auditors' report to the members of Equistone PVLP Partner Limited

Report on the financial statements

Opinion

In our opinion, Equistone PVLP Partner Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Audited Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2018; the Income Statement, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the 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 the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities set out on pages 2 and 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Parwinder Purewal (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 April 2019

Income Statement

For the year ended 31 December 2018

	NOTE	2018 £'000	2017 £'000
Revenue	3	-	1
Administrative expenses	4	(13)	(16)
Loss before taxation		(13)	(15)
Tax on loss	5	-	(2)
Loss for the financial year		**(13)**	**(17)**

There is no other comprehensive income apart from the loss for the financial year and hence total comprehensive loss for the year is £13,000 (2017: loss of £17,000).

The accompanying notes on pages 10 to 13 form an integral part of the financial statements.

Statement of Financial Position

As at 31 December 2018

	NOTE	2018 £'000	2017 £'000
ASSETS			
Current assets			
Cash and cash equivalents		57	72
Trade and other receivables	6	1	5
Total current assets		**58**	**77**
LIABILITIES			
Current liabilities			
Trade and other payables	7	(12)	(18)
Total current liabilities		**(12)**	**(18)**
Net assets		**46**	**59**
EQUITY			
Called up share capital	8	-	-
Retained earnings		46	59
Total equity		**46**	**59**

The accompanying notes on pages 10 to 13 form an integral part of the financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 23 April 2019 and were signed on its behalf by:

Steven Whitaker
Director
23 April 2019

Statement of Changes in Equity

For the year ended 31 December 2018

2018	CALLED UP SHARE CAPITAL £'000	RETAINED EARNINGS £'000	TOTAL EQUITY £'000
Balance at 1 January 2018	**-**	**59**	**59**
Loss for the financial year	-	(13)	(13)
Total comprehensive loss for the year	**-**	**(13)**	**(13)**
Dividends	-	-	-
At 31 December 2018	**-**	**46**	**46**

2017	CALLED UP SHARE CAPITAL £'000	RETAINED EARNINGS £'000	TOTAL EQUITY £'000
Balance at 1 January 2017	**-**	**76**	**76**
Loss for the financial year	-	(17)	(17)
Total comprehensive loss for the year	**-**	**(17)**	**(17)**
Dividends	-	-	-
At 31 December 2017	**-**	**59**	**59**

The accompanying notes on pages 10 to 13 form an integral part of the financial statements.

Notes to the financial statements

1. Reporting entity

These financial statements are prepared for Equistone PVLP Partner Limited which is a company domiciled and incorporated in England and Wales. The address of the registered office of the Company is One New Ludgate, 60 Ludgate Hill, London, United Kingdom, EC4M 7AW.

2. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention as modified to include the revaluation of certain financial assets and liabilities, and in accordance with the Companies Act 2006. The financial statements have been prepared on a going concern basis.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The Directors have not applied critical accounting estimates or significant judgements in the preparation of these financial statements.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d), (statement of cash flows)
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group

2.2 Revenue

Revenue comprises an allocation of profit from Equistone PVLP GP LLP and is recognised on an accruals basis.

2.3 Interest

Interest income is recognised on all interest bearing financial assets on an accruals basis.

2.4 Current and deferred income tax

Current tax payable on taxable profits is recognised as an expense in the period in which the profits arise. Current tax recoverable on tax allowable losses is recognised as an asset only to the extent that it is regarded as probable that it will be recoverable by offset against current year or prior year taxable profits.

Deferred tax is provided in full, using the liability method, on temporary differences arising from the differences between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements.

Notes to the financial statements (continued)

Current and deferred income tax (continued)

Deferred tax is determined using tax rates and legislation enacted or substantially enacted by the balance sheet date and that are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised on deductible temporary differences, carry forward of unused tax losses and unused tax credits to the extent that it is regarded as probable that sufficient taxable profits will be available against which the deductible temporary difference, unused tax losses and unused tax credits can be utilised.

Deferred and current tax assets and liabilities are only offset where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously with the same tax authority.

2.5 Financial assets and liabilities

The Company recognises financial instruments from the trade date, and continues to recognise them until, in the case of assets, the rights to receive cash flows have expired or the Company has transferred substantially all the risks and rewards of ownership, or in the case of liabilities, until the liability has been settled, extinguished or has expired.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as available for sale. They are included in current assets, except for maturities greater than twelve months after the statement of financial position date, which are classified as non-current assets. Loans and receivables are initially recognised at fair value including direct and incremental transaction costs. They are subsequently measured at amortised cost less any amounts that have been provided for to reflect impairment in the value of the asset, where there is objective evidence of impairment.

Financial liabilities are measured at amortised cost, except for trading liabilities and liabilities designated at fair value which are held at fair value through profit or loss. Financial liabilities are derecognised when extinguished. The Company's financial liabilities comprise trade and other payables in the Statement of Financial Position.

2.6 Cash and cash equivalents

Cash comprises cash on hand and cash equivalents.

2.7 Foreign currency

Foreign currency transactions are translated into the functional and presentational currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

3. Revenue

	2018 £'000	2017 £'000
Allocation of position of Equistone PVLP GP LLP	-	1
Revenue	**-**	**1**

Revenue entirely comprises an apportionment of profit from Equistone PVLP GP LLP.

Notes to the financial statements (continued)

4. Administrative expenses

	2018 £'000	2017 £'000
Non-recoverable VAT	2	2
Professional fees	11	14
Total administrative expenses	**13**	**16**

Administrative expenses include auditors' remuneration of £6,832 (2017: £6,633).

5. Tax on loss

	2018 £'000	2017 £'000
Current tax:		
Current year	-	2
Total tax on loss	-	**2**

UK corporation tax is calculated at 19% (2017: 19.25%) of the estimated assessable profits for the year. The Finance Act 2016 reduced the corporate tax rate to 19% in 2017 and 17% by 2020.

	2018 £'000	2017 £'000
Loss before tax	**(13)**	**(15)**
Tax credit at standard UK corporation tax rate of 19% (2017: 19.25%)	(2)	(3)
Prior year adjustments	-	2
Non-taxable income	-	-
Change in tax rate	-	-
Movement in deferred tax asset not recognised	(2)	3
Group relief surrendered	4	-
Overall tax on loss	-	**2**

6. Trade and other receivables

	2018 £'000	2017 £'000
Amounts due from related parties	1	5
Total trade and other receivables	**1**	**5**

The Directors consider that the carrying amount of trade and other receivables are approximate to their fair value. Amounts due from related parties are unsecured and repayable on demand.

7. Trade and other payables

	2018 £'000	2017 £'000
Amounts due to related parties	-	3
Other payables	12	15
Total trade and other payables	**12**	**18**

Notes to the financial statements (continued)

Trade and other payables (continued)

The Directors consider that the carrying amount of trade and other payables are approximate to their fair value. Amounts due to related parties are unsecured and repayable on demand.

8. Called up share capital

The issued share capital of Equistone PVLP Partner Limited is £100 (2017: £100), comprising 100 (2017: 100) ordinary shares of £1 each.

9. Parent undertaking and ultimate holding company

The ultimate parent entity and the largest group which prepares consolidated financial statements is Equistone LLP. The immediate parent of the Company is Equistone Private Equity Limited. Both the immediate and ultimate parent entities are incorporated in England and Wales and registered at One New Ludgate, 60 Ludgate Hill, London, England EC4M 7AW.