

**Episode 1 Ventures LLP**  
Report And Financial Statements  
*31 March 2020*

Rees Pollock  
Chartered Accountants

WEDNESDAY



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COMPANIES HOUSE

## **Episode 1 Ventures LLP**

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### **INFORMATION**

<b>Designated Members</b>	S T Murdoch D J P Lane A E Lloyd P McNabb C Namih
<b>LLP registered number</b>	OC382081
<b>Registered office</b>	112 - 116 New Oxford Street London WC1A 1HH
<b>Independent auditors</b>	Rees Pollock 35 New Bridge Street London EC4V 6BW
<b>Bankers</b>	Metro Bank One Southampton Row London WC1B 5HA

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EPISODE 1 VENTURES LLP**

### **Opinion**

We have audited the financial statements of Episode 1 Ventures LLP (the 'LLP') for the year ended 31 March 2020, which comprise the Statement of comprehensive income, the Balance sheet, the Reconciliation of members' interests and the 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).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2020 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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LLP'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.

### **Other information**

The members are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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 this regard.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EPISODE 1 VENTURES LLP (CONTINUED)**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, as applied to limited liability partnerships, 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; or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships regime.

### **Responsibilities of members**

As explained more fully in the Members' responsibilities statement on page 1, the members 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 members 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 members are responsible for assessing the LLP'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 members either intend to liquidate the LLP 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 Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

### **Use of our report**

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' 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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Neal Desai (Senior Statutory Auditor)

for and on behalf of

**Rees Pollock**

Chartered Accountants, Statutory Auditor

35 New Bridge Street

London

EC4V 6BW

29 June 2020

**BALANCE SHEET**  
**As at 31 March 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	6	113,953	124,698
Investments	7	15	15
		<u>113,968</u>	<u>124,713</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	164,144	182,734
Cash at bank and in hand		269,916	428,683
		<u>434,060</u>	<u>611,417</u>
Creditors: amounts falling due within one year	9	(63,883)	(136,311)
<b>Net current assets</b>		<u>370,177</u>	<u>475,106</u>
<b>Total assets less current liabilities</b>		<u>484,145</u>	<u>599,819</u>
<b>Net assets attributable to members</b>		<u>484,145</u>	<u>599,819</u>
<b>Represented by:</b>			
<b>Loans and other debts due to members within one year</b>			
Other amounts	10	460,826	578,819
		<u>460,826</u>	<u>578,819</u>
<b>Members' other interests</b>			
Members' capital classified as equity		21,000	21,000
Other reserves classified as equity		2,319	-
		<u>23,319</u>	<u>21,000</u>
		<u>484,145</u>	<u>599,819</u>
<b>Total members' interests</b>			
Loans and other debts due to members	10	460,826	578,819
Members' other interests		23,319	21,000
		<u>484,145</u>	<u>599,819</u>

Episode 1 Ventures LLP  
Registered number: OC382081

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**BALANCE SHEET (CONTINUED)**  
As at 31 March 2020

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

The Statement of Comprehensive Income and Members' Report have not been delivered to the Registrar of Companies in accordance with the provisions applicable to the entities subject to the small LLPs regime.

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 26/6/2020

D J P Lane   
Designated member

The notes on pages 9 to 14 form part of these financial statements.

**RECONCILIATION OF MEMBERS' INTERESTS**  
For the Year Ended 31 March 2020

	<b>EQUITY</b> <b>Members' other interests</b>			<b>DEBT</b> <b>Loans and other debts due to members less any amounts due from members in debtors</b>		<b>Total members' interests</b>
	<b>Members' capital (classified as equity) £</b>	<b>Other reserves £</b>	<b>Total £</b>	<b>Other amounts £</b>	<b>Total £</b>	<b>Total £</b>
Amounts due to members				391,147	391,147	
<b>Balance at 1 April 2018</b>	21,000	-	21,000	391,147	391,147	412,147
Profit for the year available for discretionary division among members	-	1,000,322	1,000,322	-	-	1,000,322
<b>Members' interests after profit for the year</b>	21,000	1,000,322	1,021,322	391,147	391,147	1,412,469
Allocated profit for year	-	(1,000,322)	(1,000,322)	1,000,322	1,000,322	-
Amounts introduced by members	4,200	-	4,200	-	-	4,200
Repayment of capital	(4,200)	-	(4,200)	-	-	(4,200)
Drawings	-	-	-	(812,650)	(812,650)	(812,650)
Amounts due to members				578,819	578,819	
<b>Balance at 31 March 2019</b>	21,000	-	21,000	578,819	578,819	599,819
Profit for the year available for discretionary division among members	-	1,063,148	1,063,148	-	-	1,063,148
<b>Members' interests after profit for the year</b>	21,000	1,063,148	1,084,148	578,819	578,819	1,662,967
Allocated profit for year	-	(1,060,829)	(1,060,829)	1,060,829	1,060,829	-
Drawings	-	-	-	(1,178,822)	(1,178,822)	(1,178,822)
Amounts due to members				460,826	460,826	
<b>Balance at 31 March 2020</b>	21,000	2,319	23,319	460,826	460,826	484,145

The notes on pages 9 to 14 form part of these financial statements.

The ability of the members of the LLP to reduce the amount of Members' other interests is restricted by the regulatory capital requirements of the FCA.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 March 2020**

**1. General information**

Episode 1 Ventures LLP is a limited liability partnership incorporated in the UK and registered in England and Wales.

The LLP's registered office is 112-116 New Oxford Street, London, England, WC1A 1HH.

The principal activity is set out in the Members' report.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" published in December 2018.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. Management do not consider there are any key accounting estimates or assumptions made that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Management are also required to exercise judgment in applying the LLP's accounting policies. Due to the straight forward nature of the business management consider that no critical judgments have been made in applying the LLP's accounting policies.

The LLP is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the LLP as an individual undertaking and not about its group.

**2.2 Going concern**

The financial statements have been prepared on the going concern basis as the members have prepared forecasts which show the LLP will be able to meet its liabilities as and when they fall due for a period of at least twelve months from the date of signing the financial statements.

**2.3 Turnover**

Turnover comprises revenue recognised by the LLP in respect of management services supplied during the year, exclusive of value added tax. Fees are recognised over the period in which services are provided.

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses.



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 March 2020**

**2. Accounting policies (continued)**

**2.4 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Leasehold Improvements	- Over the length of the lease
Fixtures and fittings	- 25% reducing balance
Computer equipment	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.5 Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.6 Financial instruments**

The LLP does not trade in financial instruments and all such instruments arise directly from operations.

All trade and other debtors are initially recognised at transaction value, as none contain in substance a financing transaction. Thereafter trade and other debtors are reviewed for impairment where there is objective evidence based on observable data that the balance may be impaired. The LLP does not hold collateral against its trade and other receivables so its exposure to credit risk is the net balance of trade and other debtors after allowance for impairment.

The LLP's cash holdings comprise on demand balances. All cash is held with banks with strong external credit ratings.

Trade and other creditors and accruals are initially recognised at transaction value as none represent a financing transaction. They are only derecognised when they are extinguished. As the LLP only has short term receivables and payables, its net current asset position is a reasonable measure of its liquidity at any given time.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 March 2020**

**2. Accounting policies (continued)**

**2.7 Foreign currency translation**

**Functional and presentation currency**

The LLP's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**2.8 Related party transactions**

The LLP is exempt under section 33 of FRS102 from disclosing transactions or balances between wholly owned group companies.

**3. Turnover**

The turnover and operating profit for the year were derived from the LLP's principal activity.

All turnover arose within the United Kingdom.

**4. Operating profit**

The operating profit is stated after charging:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration - audit	<b>5,100</b>	<b>5,000</b>
Auditors' remuneration - non-audit	<b>5,850</b>	<b>5,600</b>
	<b><u>5,850</u></b>	<b><u>5,600</u></b>

**5. Employees**

The average monthly number of employees during the year was 3 (2019 -3).

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 31 March 2020

**6. Tangible fixed assets**

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2019	108,803	33,785	21,682	164,270
Additions	642	16,120	257	17,019
At 31 March 2020	109,445	49,905	21,939	181,289
<b>Depreciation</b>				
At 1 April 2019	16,248	12,219	11,105	39,572
Charge for the year	15,635	9,421	2,708	27,764
At 31 March 2020	31,883	21,640	13,813	67,336
<b>Net book value</b>				
At 31 March 2020	77,562	28,265	8,126	113,953
At 31 March 2019	92,555	21,566	10,577	124,698

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 31 March 2020

**7. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost and net book value</b>	
At 1 April 2019	15
At 31 March 2020	15

**8. Debtors**

	2020 £	2019 £
Other debtors	61,927	89,074
Prepayments and accrued income	102,217	93,660
	<b>164,144</b>	<b>182,734</b>

Included within other debtors is a rent deposit of £29,080 (2019: £29,080) due in more than one year.

**9. Creditors: amounts falling due within one year**

	2020 £	2019 £
Trade creditors	10,092	22,093
Other creditors	996	331
Accruals and deferred income	52,795	113,887
	<b>63,883</b>	<b>136,311</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 March 2020**

**10. Loans and other debts due to members**

	2020 £	2019 £
Amounts due to members	<u>460,826</u>	<u>578,819</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

**11. Commitments under operating leases**

At 31 March 2020 the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	115,536	115,536
Later than 1 year and not later than 5 years	107,623	223,159
	<u>223,159</u>	<u>338,695</u>

**12. Post balance sheet events**

Subsequent to the year end the Covid-19 pandemic and subsequent lockdown meant that the LLP's staff and members were required to work remotely. The pandemic is not expected to have significant impact on the future financial results of the LLP.

**13. Auditors' information**

The auditors' report on the financial statements for the year ended 31 March 2020 was unqualified and did not contain an emphasis of matter.

The audit report was signed on XX June 2020 by Neal Desai (Senior statutory auditor) on behalf of Rees Pollock (Statutory Auditor) of 35 New Bridge Street, London, EC4V 6BW.