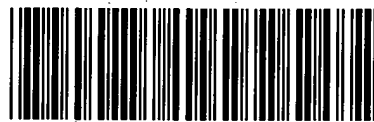


Registration Number: 03359805

**Evolution Capital
Investment Limited**
Report and Financial Statements
31 March 2015

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Evolution Capital Investment Limited

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Evolution Capital Investment Limited

DIRECTORATE AND CORPORATE INFORMATION

BOARD OF DIRECTORS

A J Barnes
T R Chanter
B M Johnson
C S Heyworth
K P McKenna

SECRETARY

D Miller

AUDITOR

Ernst & Young LLP
25 Churchill Place
London
E14 5RB

COMPANY REGISTRATION

Registration Number: 03359805
Registered Office: 2 Gresham Street
London, EC2V 7QP

DIRECTORS' REPORT

The directors of Evolution Capital Investment Limited (the "company") present their report together with the audited financial statements for the year ended 31 March 2015.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company is a wholly owned subsidiary of Investec Investments (UK) Limited (the "parent company"). The principal activity of the company during the year under review was to act as a private equity investment company.

The company does not intend to make any further investments in private equity owned companies but will seek to dispose of the remaining portfolio of assets held for maximum value. The carrying value of the remaining investment portfolio is £nil (2014: £nil).

Given the straight forward nature of the business the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or financial position of the business. The directors have taken advantage of the exemptions available in section 414B, Companies Act 2006 from preparing a strategic report.

The company is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office is: 2 Gresham Street, London EC2V 7QP.

OUTLOOK

The company's Directors do not foresee any change in the principal activities of the company over the coming year.

RESULTS AND DIVIDENDS

During the year the Company did not trade and consequently no profit or loss arose (2014: profit £nil). The directors do not recommend the payment of a final dividend (2014: nil). The company did pay an interim dividend of £286,690 on 27 November 2014.

PRINCIPAL RISKS AND UNCERTAINTIES

The financial risks are managed at the Investec plc group level. The Company's significant risk is exposure to fair value movements on its investment portfolio. Before the Company's adoption of International Financial Reporting Standards ("IFRSs") all un-listed investments were fully provided. Thus any changes to fair value may now only be realised through reserves. Upon disposal of such investments, this fair value uplift would be reversed into the Statement of Comprehensive Income.

Further disclosures on the principal risks and uncertainties impacting the company and on the company's risk management policies and objectives have been given in note 2 to the financial statements.

DIRECTORS AND THEIR INTERESTS

The current directors of the company are listed on page 1. According to the register of directors' interests, no director who held office during the period had any beneficial interest in the shares of the company during the year or in the prior year.

Directors appointed or resigned to / from the Company, since 31 March 2014, are as shown below:

DIRECTOR	APPOINTED	RESIGNED
S M Burgess	7 March 2013	28 November 2014
B M Johnson	8 December 2014	-
C S Heyworth	8 December 2014	-
K P McKenna	8 December 2014	-

DIRECTORS' REPORT (CONTINUED)**GOING CONCERN**

On the basis of current financial projections the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and accordingly the going concern basis is adopted in the preparation of the financial statements.

The directors are not aware of any material contingent liabilities such as legal proceedings outstanding against the company.

SUBSEQUENT EVENTS

The directors confirm that there were no significant events occurring after the Statement of Financial Position date to the date of this report that would meet the criteria to be disclosed in the financial statements for the year ended 31 March 2015.

DIRECTORS' INDEMNITY AND DIRECTORS' & OFFICERS' LIABILITY INSURANCE

The company maintains a Directors' and Officers' Liability Insurance policy. In accordance with the company's Articles of Association, the board may also indemnify a director from the assets of the company against any costs or liability incurred as a result of their office, to the extent permitted by law. Neither the insurance policy nor any indemnities that may be provided by the company provide cover for fraudulent or dishonest actions by the directors. However, costs may be advanced to directors for their defence in investigations or legal actions.

DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the company's auditor in connection with preparing its report, of which the company's auditor is unaware. In accordance with the provisions of Section 418 of the Companies Act 2006, having made enquiries of fellow directors, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The directors confirm that, to the best of each director's knowledge:

- (a) the financial statements in this report, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the company; and
- (b) the Directors' report includes a fair review of the development and performance of the business and the position of the company together with a description of the principal risks and uncertainties that it faces.

AUDITOR

The company has elected not to make annual appointments of the auditor. Accordingly Ernst & Young LLP are deemed to be reappointed in accordance with section 487 of the Companies Act 2006.

Signed on behalf of the board



C S Heyworth
Director
16 December 2015

Evolution Capital Investment Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

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 period. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRS) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Evolution Capital Investment Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF EVOLUTION CAPITAL INVESTMENT LIMITED

We have audited the financial statements of Evolution Capital Investments Limited for the year ended 31 March 2015 which comprise the Statement of Financial Position, Statement of changes in Equity and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's member, 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 member those matters we are required to state to it 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Michael-John Albert, Senior statutory auditor
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

16th December 2015

Evolution Capital Investment Limited


STATEMENT OF FINANCIAL POSITION

at 31 March 2015

	Note	2015 £	2014 £
ASSETS			
CURRENT ASSETS			
Trade and other receivables	6	2	286,692
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Retained earnings		-	286,690
EQUITY SHAREHOLDER'S FUNDS			
		2	286,692

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

The financial statements on pages 6 to 11 were approved by the Board of Directors on 16 December 2015 and were signed on its behalf by:



K P McKenna
Director

Evolution Capital Investment Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2015

	Note	Share Capital	Retained earnings	Total equity
2015		£	£	£
Balance at 1 April 2014		2	286,690	286,692
Dividend paid		-	(286,690)	(286,690)
Balance at 31 March 2015		2	-	2

	Note	Share Capital	Retained earnings	Total equity
2014		£	£	£
Balance at 1 April 2013 and at 31 March 2014		2	286,690	286,692

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

Evolution Capital Investment Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

1. 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 the periods presented.

Basis of preparation

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

The company has not prepared a Cash-flow Statement since it did not have any cash flows during the period, nor does it have any bank accounts. All transactions undertaken by the company are carried out through the intercompany accounts with fellow group undertakings with no cash settlement taking place.

The financial statements of the company have been prepared on a going concern basis.

Critical accounting estimates and judgments

The only critical accounting estimates or judgments made that affect the reported amounts of assets and liabilities at the date of the Financial Statements relate to the fair value of the available for sale financial assets (see Note 7).

Significant accounting policies

Changes in accounting policies and disclosures

- (a) In respect of new and amended standards that became effective during the financial period beginning on 1 April 2014 these had no material impact on the company, and
- (b) In respect of new and amended standards that are effective for the first time for the financial period beginning after 1 April 2015 the directors anticipate that the new standards and interpretations will have no material impact on the financial statements of the company.

Financial assets and liabilities

Fair value of financial instruments

For available-for-sale investments that are quoted in active markets, fair values are determined by reference to the current quoted bid/offer price. Where available-for-sale investments are not quoted in active markets, as in the case of the majority of the company's portfolio, fair valuation represents a significant challenge for the company. In the majority of cases, there is a lack of evidence as to trading activity with which to base a valuation on. Furthermore, where evidence may exist, the investments are not generating meaningful revenues, nor do they have material contracts in the pipeline. This makes the use of traditional valuation techniques (such as discounted cash flow models) very difficult. The Directors, having previously fully provided against the historical valuation of these investments, review evidence of trading and other available market information, on a case by case basis, when considering whether or not the valuation remains appropriate.

Evolution Capital Investment Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

1. ACCOUNTING POLICIES (continued)

Current and deferred taxes

Current taxes are computed on a basis of the tax laws enacted or substantially enacted at the Statement of Financial Position date.

Deferred taxes are computed using the liability method, on temporary differences between the bases of assets and liabilities and their carrying amounts in financial statements. The deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit nor loss.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised where it is probable that taxable profits will be available against which tax losses or deductible temporary differences can be utilised.

2. MANAGEMENT OF FINANCIAL RISK

Risk Management Framework

As a wholly-owned subsidiary of Investec plc, the company falls under the Investec plc Group's Risk Management Framework which is set out in the combined Investec plc and Investec Limited 2015 financial statements, Risk Management and Corporate Governance report.

Equity Price Risk

The company is exposed to equity market risk in respect of its equity holdings. This comprises available-for-sale financial assets. The Board continues to review the performance of existing available-for-sale financial assets in the company's portfolio and realises these investments when deemed appropriate. Note 7 summarises the available-for-sale investments at the year-end date and the disposals and fair value movements made in the year. The company does not seek to hedge this exposure. All financial assets have been fully impaired.

Credit risk

All receivables are with group companies and therefore the company has no exposure to any third party credit risk.

Liquidity risk

The company seeks to manage its liquidity risk to ensure sufficient liquidity is available to meet foreseeable needs and maintain profitability. The company is fully supported by its parent company for any day to day cash requirements through the use of intercompany recharges. The company deems there is sufficient liquidity for the near future. The company's has no liabilities in the form of trade and other payables.

Interest rate risk

The company has deposited excess funding with its parent company. All such intercompany loans are interest free as agreed between the parties.

Capital management

The company manages and monitors its capital on an on-going basis and with consideration of the on-going commitments of the entity. The company is not regulated and therefore it is not subject to any capital adequacy requirements.

3. STATEMENT OF COMPREHENSIVE INCOME

The company has not traded and has made neither profit nor loss nor any other recognised gains or losses during the current or preceding financial years and consequently there is no result to report.

The auditor's remuneration which amount to £5,316 (2014 – £Nil) has been borne by another group company. For the year ending 31 March 2015 the company's auditor was Ernst & Young LLP. For the year ended 31 March 2014 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Evolution Capital Investment Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

4. TAX EXPENSE

The company has capital losses of £12,686k and excess management expenses of £3k, in respect of which no deferred tax asset has been recognised given uncertainty of their utilisation. The un-recognised deferred tax asset is £2,537k (2014 - £2,557k) and is calculated at 20%, the substantially enacted rate at the balance sheet date.

The headline rate of UK corporation tax reduced from 23% to 21% on 1 April 2014 and to 20% on 1 April 2015. A further rate reduction of 2% was announced on 8 July 2015 which will reduce the tax rate to 19% from 1 April 2017 and 18% from 1 April 2020 respectively. These changes were included in the Summer Finance Bill 2015. However, as these proposed reductions of the corporation tax rate to 19% and 18% were not enacted or substantively enacted at the balance sheet date, there is no impact on the tax balances at 31 March 2015.

The maximum effect on deferred tax of the reduction in the UK corporation tax rate to 18% is expected to be £25k (equivalent to 2% of the closing gross deferred tax balance).

5. EMPLOYEES AND DIRECTORS

Average employee number during the period was nil (2014: nil).

The directors were employed and remunerated as directors or executives of Investec plc and its subsidiaries ("the group") in respect of their services to the group as a whole and their remuneration has been paid by other group companies.

6. TRADE AND OTHER RECEIVABLES

	2015 £	2014 £
Amounts due from group undertakings	2	286,692
	<u>2</u>	<u>286,692</u>

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment.

7. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2015 £	2014 £
At 1 April and at 31 March	-	-
	<u>-</u>	<u>-</u>

All available-for-sale positions are valued at £nil. The Company does not have any investments greater than 20% of the issued share capital in any company. The Company's investments are stated at fair value with any unrealised movements passing through fair value reserves. Upon disposal, any fair value reserve element relating to the disposed asset is reversed through the statement of comprehensive income.

Evolution Capital Investment Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

8. SHARE CAPITAL

	2015 £	2014 £
Authorised 1,000 (2014: 1,000) ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid 2 (2014: 2) ordinary shares of £1 each	2	2

9. CAPITAL COMMITMENTS AND CONTINGENCIES

There were no capital commitments or contingent liabilities at 31 March 2015 (2014: nil).

10. RELATED PARTY TRANSACTIONS

i) Intra-group trading

The following shows the balances (owed to) or owed by other group undertakings at year end.

	2015 £	2014 £
Investec1 Limited	2	-
The Evolution Group Limited	-	286,692

The company's operating expenses have been settled by Investec 1 Limited in the current year.

The company is fully supported by its parent company for any day to day cash requirements.

ii) Key management compensation

There is no compensation paid to key management for their services to this company. Key management is defined as the directors of the company.

11. POST STATEMENT OF FINANCIAL POSITION EVENTS

There were no significant events occurring after the Statement of Financial Position date to the date of this report that would meet the criteria to be disclosed in the financial statements for the year ended 31 March 2015.

12. ULTIMATE HOLDING COMPANY

The immediate parent company is Investec Investments (UK) Limited, a company incorporated in Great Britain and registered in England and Wales. The company's statutory financial statements are available from The Secretary, 2 Gresham Street, London, EC2V 7QP.

The ultimate holding company and controlling party is Investec Plc, a company incorporated in the U.K. Copies of the Investec Plc statutory financial statements are available from the Investec website, www.investec.co.uk.