

Limited Liability Partnership Registration No. OC412653 (England and Wales)

REAL ESTATE VENTURE CAPITAL INVESTORS LLP
MEMBERS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2017

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REAL ESTATE VENTURE CAPITAL INVESTORS LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members

A J Pettit
W J Killick
F Guiraud
N A West

Limited liability partnership number

OC412653

Registered office

105 Wigmore Street
London
W1U 1QY

Auditors

UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

CONTENTS

	Page
Members' report	1 – 3
Independent auditor's report	4 – 6
Consolidated income statement	7
Consolidated statement of comprehensive income	8
Consolidated statement of Financial Position	9 – 10
Limited Liability Partnership Statement of financial position	11
Consolidated reconciliation of members' interest	12
Limited Liability Partnership reconciliation of members' interest	13
Consolidated statement of cash flows	14
Notes to the financial statements	15 – 25

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

MEMBERS' REPORT FOR THE PERIOD ENDED 30 APRIL 2017

The members present their report and the financial statements for the 10 month period ended 30 April 2017, being the period since the entity was incorporated on 7 July 2016.

Principal activities and review of the business

Real Estate Venture Capital Investors LLP is the parent of a group whose principal activity is providing regulated investment advisory services to and acting as general partner to eight Jersey, and one Isle of Man registered limited partnerships involved in property investment.

Principal risks and uncertainties

The Group's future income is dependent on both its existing fund clients and the closing of new funds to which it can provide investment advice. This is very much dependent on the company retaining a high quality team to enable it to provide high quality investment advice.

The Group has developed and the board has formally adopted a robust corporate governance policy and corporate structure to enable the company to effectively manage its business and provide accountability to its shareholder and clients.

Fair review of the business

During the period the Group owned a Company that provided regulated investment advisory services to eight Jersey and one Isle of Man registered limited partnerships involved in property investment.

Turnover for the period was £997,063, and is a key performance indicator for the Group.

The results for the period and financial position at the end of the period were considered satisfactory by the members, who envisage improved trading to continue into the next financial period.

No events have occurred since the balance sheet date which significantly affects the limited liability partnership.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

MEMBERS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

Designated members

The designated members who held office during the period and up to the date of signature of the financial statements were as follows:

A J Pettit (appointed on 7 July 2016)
W J Killick (appointed on 7 July 2016)
F Guiraud (appointed on 7 July 2016)
N A West (appointed on 7 July 2016)

Policy on members' drawings

The members' drawing policy allows each member to draw a proportion of their profit share, subject to the cash requirements of the business.

A member's capital requirement is linked to their share of profit and the financing requirement of the limited liability partnership. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so the retiring members are repaid their capital at "par".

Statement of members' responsibilities

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial period. Under that law the members 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 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 limited liability partnership and the group and of the profit or loss of the limited liability partnership and group for that period. In preparing those financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

MEMBERS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

Statement of members' responsibilities (continued)

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the group and the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditors are unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of all relevant audit information and to establish that the limited liability partnership's auditors are aware of that information.

Auditors

The auditors, UHY Hacker Young, were appointed under section 487(2) of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008).

On behalf of the members



A J Pettit
Designated Member

25 April 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF REAL ESTATE VENTURE CAPITAL INVESTORS LLP

We have audited the financial statements of the parent, Real Estate Venture Capital Investors LLP (the 'limited liability partnership's) and its subsidiaries (the 'group') for the period ended 30 April 2017, as set out on pages 7 to 25, which comprise the Group Statement of Comprehensive Income, the Group Balance Sheet, the Limited Liability Partnership Balance Sheet, the Group Statement of Members Interests, the Limited Liability Partnership Statement of Members Interests and the Group Statement of Cash Flows. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 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 Group and Limited Liability Partnership's affairs as at 30 April 2017 and of the Group and Limited Liability Partnership's profit and cash flows for the period 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 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 as applied to listed entities, 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.

Use of our report

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with part 3 of Chapter 16 of the Companies Act 2006 as applied to Limited Liability Partnerships. Our audit work has been undertaken so that we might state to the Limited Liability Partnership'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 Limited Liability Partnership and the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF REAL ESTATE VENTURE CAPITAL INVESTORS LLP

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 Group and Limited Liability Partnership'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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006 as applied to Limited Liability Partnerships

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Limited Liability Partnership 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 as applied to Limited Liability Partnerships requires us to report to you if, in our opinion:

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF REAL ESTATE VENTURE CAPITAL INVESTORS LLP

Matters on which we are required to report by exception (continued)

- adequate accounting records have not been kept by the Limited Liability Partnership, 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 members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the statement of members' responsibilities, 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 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 members are responsible for assessing the Limited Liability Partnership'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 Limited Liability Partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm. This description forms part of our auditor's report.

Daniel Hutson

**Daniel Hutson (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young**

**Chartered Accountants
Statutory Auditor**

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 APRIL 2017**

	Notes	2017 £
Turnover	3	997,063
Cost of sales		(857,443)
		<hr/>
Gross profit		139,620
Administrative expenses		(135,910)
		<hr/>
Operating profit	4	3,710
Investment income	5	1,875
Interest receivable and similar income	5	251
Interest payable and similar charges	6	(157)
		<hr/>
Profit on ordinary activities before taxation		5,679
Tax on profit on ordinary activities	7	(1,860)
		<hr/>
Profit for the period after taxation and before members' remuneration and profit shares		3,819
Members' remuneration charged as an expense	15	-
		<hr/>
Retained profit for the financial period available for discretionary division among members		<u>3,819</u>

The income statement has been prepared on the basis that all operations are continuing.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 APRIL 2017**

	2017 £
Profit for the financial period	3,819
Other comprehensive income	-
	<hr/>
Total comprehensive income for the period	3,819
	<hr/> <hr/>
Total comprehensive income attributable to:	
Members of the parent	3,680
Non-controlling interests	139
	<hr/>
	3,819
	<hr/> <hr/>

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2017**

	Notes	£	2017	£
Non Current assets				
Investments – negative goodwill	8	(329,183)		
Current assets				
Debtors	12	2,208,156		
Cash at bank and in hand		575,543		
		<u>2,783,699</u>		
Total assets		2,454,517		
Creditors: amounts falling due within one year	13	(2,059,168)		
		<u> </u>		
Net current assets			724,531	
			<u> </u>	
Total assets less current liabilities			395,348	
			<u> </u>	
REPRESENTED BY:				
Loans and other debts due to members within one year				
Other amounts			385,250	
Equity - Members' other interests:				
Members' capital			1,000	
Other reserves			3,680	
			<u> </u>	
Non-controlling interests			5,418	
			<u> </u>	
			395,348	
			<u> </u>	

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 APRIL 2017**

	2017 £
Notes	
TOTAL MEMBERS' INTERESTS	
Loans and other debtors due to members	385,250
Members' other interests	3,680
	<hr/>
Non-controlling interest	5,418
	<hr/>
	395,348
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The financial statements were approved by the members and authorised for issue on 25 April 2018 and are signed on their behalf by:



.....
A J Pettit
Designated Member

Limited Liability Partnership Registration No. OC412653

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**LIMITED LIABILITY PARTNERSHIP STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2017**

	Notes	£	2017 £
Fixed assets			
Investments	10		386,250
Current assets			
Debtors	12	-	
Creditors: amounts falling due within one year	13	(2,400)	
Net current liabilities			(2,400)
Total assets less current liabilities			383,850
REPRESENTED BY:			
Loans and other debts due to members within one year			
Other amounts			385,250
Equity - Members' other interests:			
Members' capital			1,000
(Loss) for the period			(2,400)
TOTAL MEMBERS INTERESTS			383,850
Loans and other debts due to members			385,250
Members' other interests			(1,400)
			383,850

The financial statements were approved by the members and authorised for issue on 25 April 2018 and are signed on their behalf by:



.....
A J Pettit
Designated Member

Limited Liability Partnership Registration No. OC412653

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**GROUP RECONCILIATION OF MEMBERS' INTEREST
FOR THE PERIOD ENDED 30 APRIL 2017**

Current financial period – Group

	Members' other Interests		Total	Loans and other debts due to/(from) members	Total	Non- controlling interest		Total
	Members' capital	Other reserves				Total	interest	
	£	£	£	£	£	£	£	£
Members' interests at 7 July 2016	-	-	-	-	-	-	-	-
Profit for the period available for division among members	-	3,680	3,680	-	-	139	-	3,819
Members' interests after loss for the period	-	-	-	-	-	-	-	-
Amounts introduced by members	-	-	-	385,250	385,250	-	-	385,250
Member Capital Introduced	1,000	-	1,000	-	-	-	-	1,000
Pre-acquisition reserves brought in	-	-	-	-	-	5,279	-	5,279
Members' interests at 30 April 2017	1,000	3,680	4,680	385,250	385,250	5,418	-	395,348

In the event of a winding up the amounts included in "Loans and other debts due (from)/to members" will rank equally with unsecured creditors.

**LIMITED LIABILITY PARTNERSHIP RECONCILIATION OF MEMBERS' INTEREST
FOR THE PERIOD ENDED 30 APRIL 2017**

Current financial period – Limited Liability Partnership

	Members' other Interests		Total	Loans and other debts due to/(from) members	Total
	Members' Capital	Other reserves			
	£	£	£	£	£
Members' interests at 7 July 2016	-	-	-	-	-
(Loss) for the period available for division among members	-	(2,400)	(2,400)	-	(2,400)
Members' interests after profit for the period	-	-	-	-	-
Amounts introduced by members	-	-	-	385,250	385,250
Member Capital Introduced	1,000	-	1,000	-	1,000
Members' interests at 30 April 2017	1,000	(2,400)	(1,400)	385,250	383,850

In the event of a winding up the amounts included in "Loans and other debts due (from)/to members" will rank equally with unsecured creditors.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 APRIL 2017**

	Note	£	2017 £
Cash flows from operating activities			
Net inflow from operating activities	14		574,543
Interest paid			(157)
Tax paid			(1,860)
			<hr/>
Net cash generated from operating activities			572,417
Investing activities			
Interest received		2,126	
		<hr/>	
Net cash generated from investing activities		2,126	
			574,543
Financing activities			
Capital invested by members		1,000	
		<hr/>	
Net cash inflow from financing			575,543
			<hr/>
Net increase in cash in the period			575,543
Cash and cash equivalents at beginning of period			-
			<hr/>
Cash and cash equivalents at end of period			575,543
Relating to:			
Cash at bank			575,543
			<hr/> <hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

Limited liability partnership information

Real Estate Venture Capital Investors LLP is a limited liability partnership incorporated in England and Wales. The registered office is First Floor, 105 Wigmore Street, London, W1U 1QY.

The group consists of Real Estate Venture Capital Investors LLP and all of its subsidiaries.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in January 2017, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applied by LLPs.

The financial statements are prepared in Sterling (£), which is the functional and presentational currency of the limited liability partnership. The group financial statements consolidate the financial statements of Real Estate Venture Capital Investors LLP and its subsidiary undertakings drawn up to 30 April each year.

The limited liability partnership is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this limited liability partnership, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The limited liability partnership has therefore taken advantage of exemptions from the following disclosure requirements for parent limited liability partnership information presented within the consolidated financial statements:

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent limited liability partnership is not presented as part of these financial statements. The parent limited liability partnership's profit on ordinary activities after taxation for the financial period amounted to £Nil.

1.3 Basis of consolidation

The consolidated financial statements include the assets, liabilities and results of the LLP and all its subsidiaries, accounted for using the purchase method. Intra-group sales, profits and balances are eliminated fully on consolidation.

On acquisition of a subsidiary, all of the subsidiary's assets and liabilities that exist at the date of acquisition are recorded at their fair values, reflecting their condition at that date. All changes to those assets and liabilities and resulting gains and losses, that arise after the group has gained control, are charged to the post-acquisition profit and loss account.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2017**

1 Accounting policies (continued)

1.4 Going concern

The financial statements have been prepared on a going concern basis as in the members' opinion the predicted future cash flows from the group's investments and funds available under the group loan facilities will be sufficient to meet the group's liabilities as they fall due.

1.5 Turnover

Group turnover represents amounts reimbursed for investment advisory fees and expenditure incurred during the period, net of value added tax.

1.6 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current period profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant period's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

1.7 Goodwill

Purchased goodwill (representing the excess of fair value of the consideration given over the fair value of the separable net assets acquired) arising on consolidation in respect of acquisitions is capitalised. Goodwill is amortised by equal annual instalments over its estimated useful life.

Negative goodwill arising on consolidation in respect of acquisitions is included within fixed assets and released to the profit and loss account in the periods in which the fair values of the non-monetary assets purchased on the same acquisition are recovered, whether through depreciation or sale.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2017**

1 Accounting policies (continued)

1.8 Fixed asset investments

Investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss. The limited liability partnership's loan balances with its joint ventures are capitalised as fixed asset loans to joint ventures.

Investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Investments in limited partnerships are measured at fair value, the basis of which are the latest audited consolidated financial statements as those financial statements are prepared on a net asset value basis.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2017**

1 Accounting policies (continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies (continued)

1.10 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 Judgements and key sources of estimation uncertainty

In the application of the accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2017**

3	Turnover	2017 £
	An analysis of the group's turnover is as follows:	
	Investment advisory fees	261,847
	Other income	735,216
		997,063
		997,063
4	Operating profit	2017 £
	Operating profit is after charging/(crediting):	
	Rentals under operating leases – land and buildings	38,416
	Fees payable to the LLP's auditor for the audit of the LLPs' annual accounts	2,400
	The audit of the LLP's subsidiaries, pursuant to legislation	29,750
		60,566
		60,566
5	Investment income, interest receivable and similar income	2017 £
	Bank interest	251
	Investment income	1,875
		2,126
		2,126
6	Interest payable and similar charges	2017 £
	Loan interest	157
		157
		157

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2017**

7	Taxation	2017 £
	Current period tax	
	UK corporation tax	1,860
		1,860
	Total current tax	<u>1,860</u>
		2017 £
	Factors affecting the tax charge for the period	
	Profit on ordinary activities before taxation	5,679
	Expected tax charge based on the standard rate of UK corporation tax of 20%	1,860
		1,860
	Current tax charge	<u>1,860</u>

8 Acquisition of Revcap Advisors Limited

On 1 April 2017 Revcap Estate Venture Capital Investors LLP acquired 100% of the share capital of Revcap Advisors Limited. The purchase has been accounted for using the acquisition method. The total cost of the investment was £250,250 for 100,000 shares purchased for a nominal value of £0.85p each from the 8 members of the Limited Liability Partnership.

The net assets of the entity were £579,442 at the date of acquisition, and as such, a gain on a bargain purchase was realised, or Negative Goodwill, to the value of £329,183, this has been recognised as a Negative Goodwill in the Statement of Financial Position as per FRS 10.

9 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

2017
Number
3
3

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2017

10 Fixed asset investments

Revcap Advisor Limited

The principal activity of Revcap Advisor Limited is that of providing regulated investment advisory services.

The following are 100% owned subsidiary undertakings of Revcap Advisors Limited, with a principal activity of managing investments in property investments:

Name of undertaking and country of Incorporation or residency	Nature of business	Class of shareholding	% Held
Kitty Hawk GP Limited Jersey	General partner to a limited partnership	Ordinary	100.00
Sparrowhawk GP Limited Jersey	General partner to a limited partnership	Ordinary	51.00
Goshawk GP Limited Isle of Man	General partner to a limited partnership	Ordinary	51.00
Kitty Hawk Capital Partners II GP Limited Jersey	General partner to a limited partnership	Ordinary	100.00
Sparrowhawk IV GP Limited Jersey	General partner to a limited partnership	Ordinary	51.00
Hawkeye GP Limited Jersey	General partner to a limited partnership	Ordinary	51.00
Kitty Hawk Capital Partners III GP Limited Jersey	General partner to a limited partnership	Ordinary	100.00
Hawkeye GP II Limited Jersey	General partner to a limited partnership	Ordinary	100.00
Kitty Hawk Capital Partners IV GP Limited Jersey	General partner to a limited partnership	Ordinary	100.00

Hawkeye GP II Limited has an effective holding of 100% in the following company, which is incorporated in Jersey, with the principal activity of being a trustee in a unit trust:

Hawkeye Capital Partners II Trustee Limited Jersey	Trustee of a unit trust	Ordinary	100.00
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2017**

11	Financial Instruments	Group 2017 £	LLP 2017 £
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	1,811,205	-
	Investments measured at cost less impairment	-	386,250
		<u>=====</u>	<u>=====</u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	2,037,764	2,400
		<u>=====</u>	<u>=====</u>
12	Debtors	Group 2017 £	LLP 2017 £
	Trade debtors	2,594	-
	Amounts owed by related companies	1,308,340	-
	Other debtors	704,281	-
	Prepayments and accrued income	192,941	-
		<u>=====</u>	<u>=====</u>
		2,208,156	-
		<u>=====</u>	<u>=====</u>
13	Creditors: amounts falling due within one year	Group 2017 £	LLP 2017 £
	Trade creditors	8,160	-
	Amounts owed to related companies	1,630,424	-
	Corporation tax	21,404	-
	Other creditors	9,729	-
	Accruals and deferred income	389,451	2,400
		<u>=====</u>	<u>=====</u>
		2,059,168	2,400
		<u>=====</u>	<u>=====</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2017**

14 Cash generated from operations

	Group 2017 £
Profit for the year after tax	3,819
Adjustments for:	
Taxation charged	1,860
Interest payable	157
Investment income	(2,126)
Cash inherited on acquisition	576,109
Pre-acquisition reserves brought in relating to NCI	7,712
Proceeds of share issue	136,000
Movement in working capital:	
Increase in debtors	(2,208,156)
Increase in creditors within one year	2,059,168
	<hr/>
Cash Inflow from operating activities	574,543
	<hr/> <hr/>

15 Information in relation to members

	2017 Number
The average number of members during the period was:	8
	<hr/> <hr/>

The limited liability partnership had 8 members with 4 of those being designated members.

16 Operating lease commitments

Lessee

The company holds an operating lease for its head office which expires in 2024

At the reporting end date, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £
Within one year	512,216
Between two and five year	2,048,864
In over five year	939,063
	<hr/>
	3,500,143
	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2017

17 Control

The limited liability partnership is controlled by its members. The group is not under the control of any one person or entity.

18 Related party relationships and transactions

During the period Revcap Advisors Limited charged investment advisory fees of £707,836 to its subsidiaries. At the balance sheet date the group was owed £351,375 and owed £12,861 to its subsidiaries.

During period Revcap Advisors Limited charged investment advisory fees of £36,806 to Ark Data Centres Limited and Ark Cody Park Newco Limited who are considered related parties as A J Pettit is a director of these companies and they are all 100% owned subsidiaries of Ark Capital Partners I LP.

During the period Revcap Advisors Limited charged investment advisory fees of £19,014 to Hawkeye Properties 501 Limited and £Nil to Hawkeye Properties 101 Limited, Hawkeye Properties 102 Limited, Hawkeye Properties 103 Limited, Hawkeye Properties 104 Limited, Hawkeye Properties 105 Limited, Hawkeye Properties 106 Limited, Hawkeye Properties 201 Limited, Hawkeye Properties 203 Limited, Hawkeye Properties 301 Limited, Hawkeye Properties 401 Limited, Hawkeye Properties 701 Limited and Sameer Jersey Limited who are considered related parties as A J Pettit is a director of these companies and they are all 100% owned subsidiaries of Hawkeye Capital Partners I LP.

During the period Revcap Advisors Limited charged investment advisory fees of £Nil to GPKF 1 Limited, GPKF 2 Limited, GPKF 3 Limited, GPKF 4 Limited, GPKF 5 Limited and GPKF 6 Limited, who are considered related parties as W J Killick is a director of these companies and they are all 100% owned subsidiaries of Hawkeye Capital Partners I LP.