

Registered number: OC313308

Iceni Capital LLP
Report And Financial Statements
31 March 2018

Rees Pollock
Chartered Accountants

WEDNESDAY



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Iceni Capital LLP

INFORMATION

Designated Members	V R Smith A P Church
LLP registered number	OC313308
Registered office	32 Hampstead High Street London NW3 1JQ
Auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW
Bankers	Royal Bank of Scotland 62-63 Threadneedle Street London EC2R 8LA
Solicitors	Proskauer Rose LLP Ninth floor Ten Bishops Square London E1 6EG

Iceni Capital LLP

MEMBERS' REPORT

For the Year Ended 31 March 2018

The members present their annual report together with the audited financial statements of Iceni Capital LLP (the "LLP") for the year ended 31 March 2018.

Principal activities

Iceni Capital LLP is the management agent for Iceni Capital Partners 1 LP, a private equity fund making control investments in UK-based service companies. The LLP differentiates itself by providing significant operational support to its investee companies, thereby helping them to achieve both increased scale and improvements in underlying performance.

Financial results

The LLP recorded a profit of £471,408 (2017: £250,000) for the year and revenues of £485,252 (2017: £264,842).

The LLP had net cash of £221 (2017: £1,575) at 31 March 2018.

Designated Members

V R Smith and A P Church were designated members of the LLP throughout the year.

Members' capital and interests

Members' share profits and losses in accordance with agreed profit sharing agreements.

Members' capital is determined by the regulatory capital requirements of the FCA and any trading needs of the LLP.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members after finalisation of the financial statements. Members draw a proportion of their profit shares monthly during the year in which it is made, with the balance of profits being distributed after the year, subject to the cash requirements of the business.

Members' responsibilities statement

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 year. 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 LLP and of the profit or loss of the LLP for that period.

MEMBERS' REPORT (continued)
For the Year Ended 31 March 2018

In preparing these financial statements, the members 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 UK Accounting Standards 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 LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP 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 the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

This report was approved by the members on 18 July 2018 and signed on their behalf by:



V R Smith
Designated member

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ICENI CAPITAL LLP

Opinion

We have audited the financial statements of Icen Capital LLP (the 'LLP') for the year ended 31 March 2018, which comprise the statement of comprehensive income, the balance sheet, the statement of cash flows, the reconciliation of members' interests and the related notes, 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 2018 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 ICENI CAPITAL 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.

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. 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.

Simon Rees (Senior Statutory Auditor)
for and on behalf of
Rees Pollock, Statutory auditor
18 July 2018

STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended 31 March 2018

	Note	2018 £	2017 £
Turnover	3	485,252	264,842
Administrative expenses		(13,856)	(14,849)
		<hr/>	<hr/>
Operating profit	4	471,396	249,993
Interest receivable and similar income		12	7
		<hr/>	<hr/>
Profit for the year before members' remuneration and profit shares available for discretionary division among members		<u>471,408</u>	<u>250,000</u>

There was no other comprehensive income for 2018 (2017: £NIL).

The notes on pages 9 to 13 form part of these financial statements.

BALANCE SHEET
As at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Investments	8	100	100
Current assets			
Debtors: amounts falling due within one year	9	95,154	133,089
Cash at bank and in hand		221	1,575
		<u>95,375</u>	<u>134,664</u>
Creditors: Amounts Falling Due Within One Year	10	(37,087)	(44,284)
Net current assets		<u>58,288</u>	<u>90,380</u>
Net assets		<u><u>58,388</u></u>	<u><u>90,480</u></u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability		5,000	5,000
Members' other interests			
Other reserves classified as equity		53,388	85,480
		<u>53,388</u>	<u>85,480</u>
		<u><u>58,388</u></u>	<u><u>90,480</u></u>
Total members' interests			
Loans and other debts due to members	11	5,000	5,000
Members' other interests		53,388	85,480
		<u>58,388</u>	<u>90,480</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 18 July 2018.



V R Smith
Designated member
The notes on pages 9 to 13 form part of these financial statements.

RECONCILIATION OF MEMBERS' INTERESTS
For the Year Ended 31 March 2018

	EQUITY Members' other interests		DEBT Loans and other debts due to members less any amounts due from members in debtors			Total members' interests
	Other reserves £	Total £	Members' capital (classified as debt) £	Other amounts £	Total £	Total £
Balance at 1 April 2016	85,480	85,480	5,000	(3,750)	1,250	86,730
Profit for the year available for discretionary division among members	250,000	250,000	-	-	-	250,000
Members' interests after profit for the year	335,480	335,480	5,000	(3,750)	1,250	336,730
Other division of profits	(250,000)	(250,000)	-	250,000	250,000	-
Amounts introduced by members	-	-	-	3,750	3,750	3,750
Drawings	-	-	-	(250,000)	(250,000)	(250,000)
Balance at 31 March 2017	85,480	85,480	5,000	-	5,000	90,480
Profit for the year available for discretionary division among members	471,408	471,408	-	-	-	471,408
Members' interests after profit for the year	556,888	556,888	5,000	-	5,000	561,888
Other division of profits	(503,500)	(503,500)	-	503,500	503,500	-
Drawings	-	-	-	(503,500)	(503,500)	(503,500)
Balance at 31 March 2018	53,388	53,388	5,000	-	5,000	58,388

The notes on pages 9 to 13 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.

STATEMENT OF CASH FLOWS
For the Year Ended 31 March 2018

	2018 £	2017 £
Cash flows from operating activities		
Profit for the financial year	471,408	250,000
Adjustments for:		
Interest received	(12)	(7)
Decrease/(increase) in debtors	37,935	(21,772)
(Decrease)/increase in creditors	(7,197)	16,716
Net cash generated from operating activities	<u>502,134</u>	<u>244,937</u>
Cash flows from investing activities		
Interest received	12	7
Net cash from investing activities	<u>12</u>	<u>7</u>
Cash flows from financing activities		
Amounts introduced by members	-	3,750
Distribution paid to members	(503,500)	(250,000)
Net cash used in financing activities	<u>(503,500)</u>	<u>(246,250)</u>
Net (decrease) in cash and cash equivalents	<u>(1,354)</u>	<u>(1,306)</u>
Cash and cash equivalents at beginning of year	1,575	2,881
Cash and cash equivalents at the end of year	<u><u>221</u></u>	<u><u>1,575</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u><u>221</u></u>	<u><u>1,575</u></u>

The notes on pages 9 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2018

1. General information

Iceni Capital LLP is a limited liability partnership incorporated in the UK and registered in England & Wales.

The entity's registered address is 32 Hampstead High Street, London, NW3 1JQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. Management do not consider there are 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 judgement in applying the entity's accounting policies. Due to the straightforward nature of the business, management consider that no critical judgements have been made in applying the entity's accounting policies.

2.2 Consolidation

These accounts have been prepared on a single entity basis and do not purport to represent the consolidated financial position and performance of the LLP and its subsidiary entity as shown in note 8. The basis on which the accounts are not consolidated is that the group is small.

2.3 Revenue

Turnover comprises revenue recognised by the LLP in respect of services supplied during the year, exclusive of value added tax.

2.4 Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Computer equipment - 3 years

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2018

2. Accounting policies (continued)

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.

2.7 Tax provisions

The taxation payable on profits is the personal liability of the members during the year.

3. Turnover

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

All turnover arose within the United Kingdom.

4. Operating profit

The operating profit is stated after charging:

	2018	2017
	£	£
Auditors' remuneration - audit	3,700	3,600
Auditors' remuneration - non-audit	4,875	4,300

5. Employees

The entity has no employees.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2018

6. Information in relation to members

	2018 Number	2017 Number
The average number of members during the year was	<u>2</u>	<u>2</u>
	2018 £	2017 £
The amount of profit attributable to the member with the largest entitlement was	<u>240,385</u>	<u>140,000</u>

7. Tangible fixed assets

	Computer equipment £
Cost	
At 1 April 2017	12,042
At 31 March 2018	<u>12,042</u>
Depreciation	
At 1 April 2017	12,042
At 31 March 2018	<u>12,042</u>
Net book value	
At 31 March 2018	<u>-</u>
At 31 March 2017	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2018

8. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2017	100
At 31 March 2018	100
Net book value	
At 31 March 2018	100
At 31 March 2017	100

Subsidiary undertakings

The following were subsidiary undertakings of the LLP:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Iceni Capital GP Limited	England	Ordinary	100 %	General partner

The aggregate of the share capital and reserves as at 31 March 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Iceni Capital GP Limited	6,891	-

9. Debtors

	2018 £	2017 £
Trade debtors	81,364	120,930
Amounts owed by group undertakings	11,110	10,510
Other debtors	2,680	1,649
	95,154	133,089

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2018

10. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	3,690	11,043
Amounts owed to group undertakings	14,951	14,951
Other taxation and social security	-	26
Other creditors	7,264	3,864
Accruals and deferred income	11,182	14,400
	<u>37,087</u>	<u>44,284</u>

11. Loans and other debts due to members

	2018 £	2017 £
Member capital treated as debt	<u>5,000</u>	<u>5,000</u>

Members' other interests rank after unsecured creditors, and members' loans and other debts due to members rank pari passu with unsecured creditors in the event of a winding up.

12. Related party transactions

Iceni Capital GP Limited is a 100% owned subsidiary and is the general partner of Iceni Capital Partners I LP.

Included in turnover were £117,752 (2017: £264,842) of management fees from Iceni Capital GP Limited. At the year end, £77,682 (2017: £109,930) was outstanding in respect of these fees.

At the year-end, an amount of £5,000 (2017: £5,000) was included in amounts owed by related undertakings in respect of a loan and expenses incurred on behalf of Iceni Capital GP Limited.

At the year end, £6,110 (2017: £5,510) was due from Iceni Capital Carried Interest LP for expenses paid by the LLP on behalf of the Limited Partnership.

At the year end £14,951 (2017: £14,951) was due to Iceni Capital I LP from the LLP.