

Company Registration No. 08844578 (England and Wales)

**PRAXIS CAPITAL LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2016**

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# PRAXIS CAPITAL LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr Alex Henderson Mr David McCann Mr Gary Roberts Mr Steve Faber
<b>Secretary</b>	Mr Philip Duckett
<b>Company number</b>	08844578
<b>Registered office</b>	11 Hanover Street London W1S 1YQ
<b>Auditors</b>	RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) Chartered Accountants 3 Hardman Street Manchester M3 3HF

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# PRAXIS CAPITAL LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 MARCH 2016

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The directors present the strategic report and financial statements for the year ended 31 March 2016. The comparative results are for the period from 14 January 2014 to 31 March 2015.

#### **Fair review of the business**

Praxis Capital Limited had total income of £587,722 (2015 - £141,000) and incurred expenses of £584,034 (2015 - £168,486). Profit for the year amounted to £5,069 (2015 - Loss of £27,486).

The directors will continue to monitor management fees and administration expenses on a regular basis as part of the KPI monitoring process.

#### **Principal risks and uncertainties**

The directors have assessed the main risks facing the company as being the current economic climate. However, the directors believe that the quality of its services offered and continuing internal review will help mitigate these risks and they hope to see continued growth and satisfactory results on their coming year.

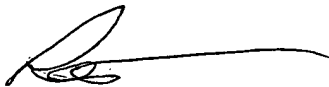
#### **Key performance indicators**

These are disclosed in the fair review of the company's business above.

#### **Matters of strategic importance**

There are no other matters of strategic importance to disclose.

On behalf of the board



Mr Alex Henderson

Director

5 JULY 2016

# PRAXIS CAPITAL LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2016

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The directors present their annual report and financial statements for the year ended 31 March 2016.

#### Principal activities

The principal activity of the company is that of investment advisors.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Alex Henderson

Mr David McCann

Mr Gabriel McLaughlin

(Resigned 30 June 2016)

Mr Gary Roberts

Mr Richard Mulley

(Resigned 31 August 2015)

Mr Steve Faber

(Appointed 1 July 2016)

#### Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### Auditor

The auditor, RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), are deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Statement of disclosure to auditor

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

#### Strategic report

The directors have included information about the business review and the principal risks and uncertainties in the strategic report.

On behalf of the board



Mr Alex Henderson

Director

5 JULY 2016

# **PRAXIS CAPITAL LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2016**

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The directors are responsible for preparing the Strategic Report and 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 year. Under that law the directors 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 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 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 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRAXIS CAPITAL LIMITED

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We have audited the financial statements on pages 5 to 18. 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 FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

### 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 2016 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.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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.

*RSM UK Audit LLP*

Hugh Fairclough (Senior Statutory Auditor)

for and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor

Chartered Accountants

3 Hardman Street

Manchester

M3 3HF

*5 July 2016*

# PRAXIS CAPITAL LIMITED

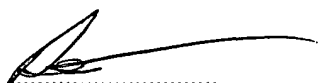
## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

		<b>31 March 2016 £</b>	<b>Period ended 31 March 2015 £</b>
Revenue	Notes	302,843	-
Administrative expenses		(584,034)	(168,486)
Other operating income		284,879	141,000
<b>Operating profit/(loss)</b>	<b>3</b>	<b>3,688</b>	<b>(27,486)</b>
Investment income	<b>6</b>	<b>1,381</b>	<b>-</b>
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>5,069</b>	<b>(27,486)</b>
Taxation	<b>7</b>	<b>-</b>	<b>-</b>
<b>Profit/(loss) for the financial year</b>		<b>5,069</b>	<b>(27,486)</b>
<b>Total comprehensive income for the year</b>		<b>5,069</b>	<b>(27,486)</b>

**PRAXIS CAPITAL LIMITED****STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2016**

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Investments	8		1		-
<b>Current assets</b>					
Trade and other receivables	10	256,429		630,100	
Cash at bank and in hand		2,819		29,076	
		<u>259,248</u>		<u>659,176</u>	
<b>Current liabilities</b>	11	(31,566)		(66,562)	
Net current assets			227,682		592,614
<b>Total assets less current liabilities</b>			227,683		592,614
<b>Provisions for liabilities</b>	13		-		(370,000)
<b>Net assets</b>			<u>227,683</u>		<u>222,614</u>
<b>Equity</b>					
Called up share capital	15		100		100
Share premium account			250,000		250,000
Retained earnings			(22,417)		(27,486)
<b>Total equity</b>			<u>227,683</u>		<u>222,614</u>

The financial statements were approved by the board of directors and authorised for issue on 5 JULY 2016  
and are signed on its behalf by:



Mr Alex Henderson  
Director



# PRAXIS CAPITAL LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Share capital £	Share premium account £	Retained earnings £	Total £
<b>Balance at 14 January 2014</b>		-	-	-	-
<b>Period ended 31 March 2015:</b>					
Loss and total comprehensive income for the year		-	-	(27,486)	(27,486)
Issue of share capital	15	100	250,000	-	250,100
<b>Balance at 31 March 2015</b>		100	250,000	(27,486)	222,614
<b>Period ended 31 March 2016:</b>					
Profit and total comprehensive income for the year		-	-	5,069	5,069
<b>Balance at 31 March 2016</b>		100	250,000	(22,417)	227,683

# PRAXIS CAPITAL LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	18		(27,637)		(220,924)
<b>Investing activities</b>					
Acquisition of investment in subsidiary		(1)		-	
Interest received		1,381		-	
		<u>          </u>		<u>          </u>	
<b>Net cash generated from/(used in) investing activities</b>			1,380		-
<b>Financing activities</b>					
Proceeds from issue of shares		-		250,000	
		<u>          </u>		<u>          </u>	
<b>Net cash (used in)/generated from financing activities</b>			-		250,000
			<u>          </u>		<u>          </u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(26,257)		29,076
Cash and cash equivalents at beginning of year			29,076		-
			<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at end of year</b>			2,819		29,076
			<u>          </u>		<u>          </u>

# PRAXIS CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2016

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#### 1 Accounting policies

##### Company information

Praxis Capital Limited is a company limited by shares incorporated in England and Wales. The registered office is 11 Hanover Street, London, W1S 1YQ. The principal place of business is 13 Police Street, Manchester, M2 7LQ.

The company's principal activities are that of investment advisors.

##### Accounting convention

These financial statements are the first financial statements of Praxis Capital Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Praxis Capital Limited for the period ended 31 March 2015 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements contain information about Praxis Capital Limited as an individual company and do not contain consolidated information as the parent of a group. The company is exempt under section 402 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the director's consider that the balance sheet position of the company's subsidiary, SG-Praxis Real Estate Venture GP Limited, was not material to these financial statements to present a true and fair view.

##### Going concern

The directors have concluded that it is appropriate to prepare the accounts on a going concern basis as the company had adequate cash resources and financial projections indicate that the company will continue to trade within its existing bank facilities.

##### Revenue

Revenue represents fees billed, net of VAT, for the provision of investment advisory services. Revenue is recognised when services are provided by reference to underlying advisory agreements.

Other operating income represents management and other fees.

##### Non-current investments

Interests 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.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# PRAXIS CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

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### 1 Accounting policies (Continued)

#### **Financial instruments**

The company 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 when the company 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### **Other financial assets**

Other financial assets, including trade investments, 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.

#### **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 company 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 company after deducting all of its liabilities.

# PRAXIS CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

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### 1 Accounting policies (Continued)

#### ***Basic financial liabilities***

Basic financial liabilities, including trade and other payables, 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 payments discounted at a market rate of interest.

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

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

#### ***Equity instruments***

Equity instruments issued by the company 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 company.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### ***Provisions***

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

# PRAXIS CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2016

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#### 1 Accounting policies (Continued)

##### Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

##### Other operating income

Other operating incomes represents management and other fees. Revenue is recognised when entitlement is satisfied by reference to contracts.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors 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.

##### Provisions

A provision was established in the period ended 31 March 2015 in respect of legal costs incurred in bringing about a court case that was in part awarded in favour of the defendant post year end. The provision included costs incurred by the company and an element of costs incurred by the defendant. These costs were indemnified in writing by Praxis Holdings Limited.

#### 3 Operating profit/(loss)

	2016	2015
Operating profit/(loss) for the year is stated after charging/(crediting):	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	8,000	7,500

# PRAXIS CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 4 Employees

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

	2016 Number	2015 Number
Sales and administrative	5	5

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	354,833	274,950
Social security costs	48,063	58,982
Pension costs	2,833	-
	405,729	333,932

### 5 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	329,345	165,521

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	288,512	165,521
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### 6 Investment income

	2016 £	2015 £
Interest income		
Interest on bank deposits	1,381	-

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	1,381	-
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# PRAXIS CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 7 Taxation

The charge for the year can be reconciled to the profit/(loss) per the income statement as follows:

	2016 £	2015 £
Profit/(loss) before taxation	5,069	(27,486)
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	1,014	(5,497)
Unutilised tax losses carried forward	(1,014)	5,497
Tax expense for the year	-	-

### 8 Fixed asset investments

	Notes	2016 £	2015 £
Investments in subsidiaries	9	1	-

#### Movements in non-current investments

	Shares £
<b>Cost or valuation</b>	
At 1 April 2015	-
Additions	1
At 31 March 2016	1
<b>Carrying amount</b>	
At 31 March 2016	1
At 31 March 2015	-



# PRAXIS CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 9 Subsidiaries

These financial statements are separate company financial statements for SG-Praxis Real Estate Venture GP Limited.

Details of the company's subsidiaries at 31 March 2016 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
SG-Praxis Real Estate Venture GP Limited	England and Wales Property management	Ordinary shares	100.00	-

### 10 Trade and other receivables

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade receivables	44,000	-
Other receivables	201,481	630,100
Prepayments and accrued income	10,948	-
	<u>256,429</u>	<u>630,100</u>

### 11 Current liabilities

	2016 £	2015 £
Trade payables	1,139	34,578
Other taxation and social security	10,229	11,984
Accruals and deferred income	20,198	20,000
	<u>31,566</u>	<u>66,562</u>

### 12 Financial instruments

	2016 £	2015 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	245,481	630,100
Equity instruments measured at cost less impairment	1	-
	<u></u>	<u></u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	21,337	54,578
	<u></u>	<u></u>

# PRAXIS CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 13 Provisions for liabilities

	2016 £	2015 £
Profit and loss account	-	370,000

A provision was established in the year ended 31 March 2015 in respect of legal costs incurred in bringing about a court case that was in part awarded in favour of the defendant post year end. The provision included costs incurred by the company and an element of costs incurred by the defendant. These costs were indemnified in writing by Praxis Holdings Limited. The case was settled in full during the year and the indemnity was re covered from Praxis Holdings Limited.

Movements on provisions:

	Profit and loss account £
At 1 April 2015	370,000
Reversal of provision	(41,889)
Utilisation of provision	(328,111)
At 31 March 2016	-

### 14 Retirement benefit schemes

#### Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £2,833 (2015 - £-).

### 15 Share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary Shares of £1 each	100	100

### 16 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2016 £	2015 £
Aggregate compensation	373,209	187,177

# PRAXIS CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 16 Related party transactions (Continued)

#### Transactions with related parties

Included within administrative expenses were loans of £Nil (2015 - £340,000) which were waived by Praxis (Holdings) Limited, whilst Praxis (Holdings) Limited was still the parent company, prior to control changing.

During the year the company made purchases on an arms length basis of £2,438 (2015 - £4,866) from Praxis Real Estate Management Limited, a company related due to common directorship. At 31 March 2016 the company owed £Nil (2015 - £2,809) to Praxis Real Estate Management Limited.

During the year the company made purchases of £137,207 (2015 - £36,330) from Woodcocks Haworth & Nuttall, who are related by virtue of a common director. At 31 March 2016 the company owed £Nil (2015 - £40,954) to Woodcocks Haworth & Nuttall.

At 31 March 2016, included within other debtors, was £85 (2015 - £85) due from David McCann, £5 (2015 - £5) due from Gabriel McLaughlin, £5 (2015 - £5) due from Alex Henderson, and £5 (2015 - £5) due from Gary Roberts. These are the directors and shareholders of the company, and the amounts due relate to called up but unpaid share capital.

No guarantees have been given or received.

### 17 Controlling party

The ultimate controlling party was Mr David McCann by virtue of his majority shareholding in the company.

### 18 Cash generated from operations

	2016 £	2015 £
Profit/(loss) for the year after tax	5,069	(27,486)
<b>Adjustments for:</b>		
Investment income	(1,381)	-
(Decrease)/increase in provisions	(370,000)	370,000
<b>Movements in working capital:</b>		
Decrease/(increase) in trade and other receivables	373,671	(630,000)
(Decrease)/increase in trade and other payables	(34,996)	66,562
<b>Cash absorbed by operations</b>	<u>(27,637)</u>	<u>(220,924)</u>

# **PRAXIS CAPITAL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016**

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### **19 First time adoption of FRS 102**

On the adoption of FRS 102 there was no effect on the balance of equity and profit and loss previously reported on transition at 1 January 2014 and 31 December 2014.

Some of the FRS 102 presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102.

Under FRS 102, the Statement of Cash Flows presents changes in cash and cash equivalents (which include cash in hand, deposits repayable on demand and overdrafts and short-term, highly liquid investments), showing changes arising from operating activities, investing activities and financing activities separately. Under previous UK GAAP, the Cash Flow Statement presented changes in cash (which includes cash in hand, deposits repayable on demand and overdrafts) under the headings of operating activities, returns on investments and servicing of finance, taxation, capital expenditure and financial investment, acquisitions and disposals, equity dividends paid, management of liquid resources, and financing.