

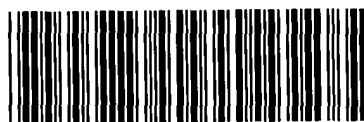
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HAMPSTEAD CAPITAL LLP

MEMBERS' REPORT AND FINANCIAL STATEMENTS

For the Year Ended 31 March 2018

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HAMPSTEAD CAPITAL LLP

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HAMPSTEAD CAPITAL LLP

INFORMATION

Designated Members C P Banse, Managing Member
M J Slendebroek (resigned 31/3/2018)
A B Van Dam (resigned 31/3/2018)
I Davar (appointed 1/4/2018)
E R Ruijsenaars (appointed 1/4/2018)

LLP registered number OC324143

Registered office 16 Old Bailey
London
EC4M 7EG

Independent auditor Rawlinson & Hunter Audit LLP
Statutory Auditor
Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

HAMPSTEAD CAPITAL LLP

MEMBERS' REPORT For the Year Ended 31 March 2018

The members present their annual report together with the audited financial statements of Hampstead Capital LLP ("the LLP") for the year ended 31 March 2018. The members confirm that the Members' Report and financial statements of the LLP comply with current statutory requirements and the requirements of the LLP's governing document.

PRINCIPAL ACTIVITY

The principal object of the LLP is to provide investment management services.

DESIGNATED MEMBERS

The designated members of the LLP during the year and/or subsequently were C P Banse, M J Slendebroek (resigned 31 March 2018), A B Van Dam (resigned 31 March 2018), I Davar (appointed 1 April 2018) and E R Ruijsenaars (appointed 1 April 2018).

MEMBERS' RESPONSIBILITIES STATEMENT

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 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the 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.

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.

HAMPSTEAD CAPITAL LLP

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

BUSINESS REVIEW

During the year, the LLP provided investment management services to Hampstead Global Value Fund, Hampstead Global Dividend Fund and Egeria Industrials AG Fund (collectively "the Funds"), which are established outside of the United Kingdom, in accordance with its agreement with those entities. The nature of these services require the LLP to be registered with the Financial Conduct Authority ("FCA") and to bear the resulting administration costs associated with maintaining that registration.

The cost base of the LLP for the year was £722,601 (2017 - £729,262) and the income for the year was £1,536,235 (2017 - £1,398,342). Overall, the profit of the LLP available for discretionary division amongst members was £813,634 (2017 - £669,080). The increase in the LLP's profits is attributable to the increased income mainly from Egeria Industrials AG Fund during the year. The members continue to keep a tight control over the LLP's overheads with a view to increase the profitability as fees due to the LLP increase with the increased funds under management.

The LLP's balance sheet shows a net asset position of £1,063,634 (2017 - £919,080), with the LLP maintaining a sufficient level of cash reserves in relation to its overhead commitments. This is mainly due to the FCA's solvency requirements that the LLP must meet in order to maintain its FCA registration. The LLP is committed to meeting all of its regulatory requirements in the future.

The future of the LLP's activities remains linked to the provision of services to the Funds that it currently manages. The members will explore further opportunities that present themselves in relation to taking on new funds under management. The LLP is therefore dependent upon the relationship that it has with the Funds for its future activities and it is for this reason that the members are committed to providing an efficient and cost effective service and one that produces improved returns for the investors in the Funds. The members are confident that, with the level of returns provided under its management, it can rely on the continued support of the investors in the Funds to maintain its trading relationship.

FINANCIAL RISK MANAGEMENT

Business and operational risk

The key business and operational risk to which the LLP is exposed is the risk of a fall in the value of funds under management. A loss of key staff or reputation may reduce the level of funds under management. This would have a direct impact on the fee income earned by the LLP and its ability to finance its operating costs. The members assess these risks as part of the Internal Capital Adequacy Assessment Process ("ICAAP") and believe that they are mitigated.

Foreign exchange risk

The LLP is exposed to movement in foreign exchange rates as a result of transactions with the Funds that it manages. However, the members do not consider that the LLP is exposed to significant foreign exchange risk. Should the need arise the members will consider the need to protect the LLP's exposure by using the most cost efficient method available to the LLP to minimise the risk and cost to the LLP.

Credit risk

The members do not consider that the LLP has significant exposure to credit risk as it has agreed payment terms with its customers, which it considers to be creditworthy and hence able to pay fees that are due to the LLP in line with their agreed terms.

HAMPSTEAD CAPITAL LLP

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

FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

The LLP manages the liquidity position with the objective of maintaining the FCA's solvency requirements, which the LLP must meet in order to maintain its FCA registration.

Interest rate risk

The LLP's operating activities are currently fully funded through existing cash resources. The members do not have any plans to fund future operations from bank or other borrowings.

FCA CAPITAL RESOURCES

The LLP is a BIPRU limited licence firm subject to a Euro €50,000 base capital requirement. Pillar 1 capital is the greater of the base capital requirement, the sum of the market risk and credit risk capital requirements and the fixed overheads requirement. The LLP applies a standardised approach to credit risk, applying 8% to the risk weighted exposure amounts. Pillar 2 capital is calculated by the LLP as representing any additional capital to be maintained against risks not adequately covered under the requirements in Pillar 1 as part of its ICAAP. Having performed the ICAAP it is the members' opinion that no additional capital is required in excess of its Pillar 1 capital requirement.

The Tier one capital resources amounted to £250,000 as at 31 March 2018 and comprised the members' capital and audited other reserves excluding excess profits over drawings, if any. Deductions from total capital resources as at 31 March 2018 amounted to £155,000, being the lower of its variable capital requirement (which is the market & credit risk requirements) and the fixed overhead requirement. Accordingly the total own funds surplus amounted to £95,000 as at 31 March 2018.

MEMBERS' CAPITAL AND INTERESTS

Each member's subscription to the capital of the LLP is set out in the LLP's Limited Liability Partnership Deed and is only repayable upon liquidation of the LLP or prior to ceasing to be a member of the LLP but subject to the discretion of the members of the LLP.

Details of changes in members' capital in the year ended 31 March 2018 are set out in the notes to the financial statements.

Profits are allocated and divided between members after finalisation of the LLP's financial statements. Members may make drawings in anticipation of their profit shares during the period in which these arise, with the balance of profits distributed after the period end, subject to the cash requirements of the business. Members are required to make their own provision for taxation, pensions and other benefits.

REMUNERATION CODE ("Code") DISCLOSURE

Details of the members' remuneration policy (profit allocations) are stated above. There are no other employees whose actions have a material impact on the risk profile of the LLP.

Quantitative information on remuneration

Two members have an entitlement to receive drawings on a monthly basis ("priority drawings") in anticipation of their profit allocation and accordingly the aggregate remuneration for all staff including Code staff was £699,251 and the aggregate remuneration for all Code staff was £350,000.

HAMPSTEAD CAPITAL LLP

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

STEWARDSHIP CODE DISCLOSURE

The Stewardship Code was published by the Financial Reporting Council ("FRC"), the UK's independent regulator responsible for promoting high quality corporate governance and reporting in order to foster investment. The Stewardship Code sets out good practice for institutional investors in their dealings with the companies in which they have invested.

The FCA's regulations outline the LLP's obligations in relation to the Stewardship Code and for firms which manage assets for corporate professional clients to disclose to these clients the nature of their commitment to the Stewardship Code, or where it does not commit to the Stewardship Code its alternative business model.

The LLP aims to apply the principles of the FRC's Stewardship Code in all markets in which it operates and insofar as it applies to the LLP's activities. The LLP's stewardship responsibilities and how it meets the requirements of the Stewardship Code are communicated to its clients but are not publicly available.

DISCLOSURE OF INFORMATION TO AUDITOR

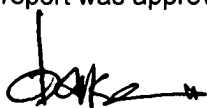
Each of the persons who are members at the time when this Members' Report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditor is 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 auditor is aware of that information.

AUDITOR

The auditor, Rawlinson & Hunter Audit LLP, has indicated its willingness to continue in office. The designated members will propose a motion re-appointing the auditor at a meeting of the members.

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



C P Banse

Designated member

Date: 20 July 2018

HAMPSTEAD CAPITAL LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMPSTEAD CAPITAL LLP

OPINION

We have audited the financial statements of Hampstead Capital LLP ("the LLP") for the year ended 31 March 2018, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity 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 Auditor's 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.

HAMPSTEAD CAPITAL LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMPSTEAD CAPITAL LLP (CONTINUED)

OTHER INFORMATION

The members are responsible for the other information. The other information comprises the information included in the Members' Report and Financial Statements, other than the financial statements and our Auditor's 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.

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 2, 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.

HAMPSTEAD CAPITAL LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMPSTEAD CAPITAL LLP (CONTINUED)

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 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/auditorsresponsibilities. This description forms part of our Auditor's Report.

USE OF OUR REPORT

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

Rawlinson & Hunter Audit LLP

Kulwarn Nagra (Senior Statutory Auditor)
for and on behalf of

Rawlinson & Hunter Audit LLP

Statutory Auditor
Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

Date: 20 July 2018

HAMPSTEAD CAPITAL LLP

PROFIT AND LOSS ACCOUNT
For the Year Ended 31 March 2018

	Note	2018 £	2017 £
TURNOVER	1,4	1,536,235	1,398,342
Administrative expenses		(722,601)	(729,262)
OPERATING PROFIT	5	813,634	669,080
PROFIT FOR THE YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	14	813,634	669,080
Profit for the year before members' remuneration and profit shares		813,634	669,080

There were no recognised gains and losses for 2018 or 2017 other than those included in the profit and loss account.

The notes on pages 13 to 22 form part of these financial statements.

HAMPSTEAD CAPITAL LLP
Registered number: OC324143

BALANCE SHEET
As at 31 March 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Tangible assets	9	-	657
		<u>-</u>	<u>657</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	10	612,465	686,821
Cash at bank and in hand	11	679,041	415,404
		<u>1,291,506</u>	<u>1,102,225</u>
Creditors: amounts falling due within one year	12	(227,872)	(183,802)
NET CURRENT ASSETS		<u>1,063,634</u>	<u>918,423</u>
NET ASSETS		<u><u>1,063,634</u></u>	<u><u>919,080</u></u>
REPRESENTED BY:			
MEMBERS' OTHER INTERESTS			
Members' capital classified as equity	14	250,000	250,000
Other reserves	14	813,634	669,080
	14	<u>1,063,634</u>	<u>919,080</u>
TOTAL MEMBERS' INTERESTS			
Amounts due from members (included in debtors)	10,14	(477,777)	(508,984)
Members' other interests	14	1,063,634	919,080
		<u>585,857</u>	<u>410,096</u>

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

C P Banse

Designated member

Date:

20 July 2018

The notes on pages 13 to 22 form part of these financial statements.

HAMPSTEAD CAPITAL LLP

STATEMENT OF CHANGES IN EQUITY For the Year Ended 31 March 2018

	Members capital (classified as equity) £	Other reserves £	Total equity £
At 1 April 2017	250,000	669,080	919,080
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for year for discretionary division among members	-	813,634	813,634
Allocated profit	-	(669,080)	(669,080)
AT 31 MARCH 2018	250,000	813,634	1,063,634

STATEMENT OF CHANGES IN EQUITY For the Year Ended 31 March 2017

	Members capital (classified as equity) £	Other reserves £	Total equity £
At 1 April 2016	250,000	287,233	537,233
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for year for discretionary division among members	-	669,080	669,080
Allocated profit	-	(287,233)	(287,233)
AT 31 MARCH 2017	250,000	669,080	919,080

The notes on pages 13 to 22 form part of these financial statements.

HAMPSTEAD CAPITAL LLP

STATEMENT OF CASH FLOWS
For the Year Ended 31 March 2018

	2018 £	2017 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year	813,634	669,080
ADJUSTMENTS FOR:		
Depreciation of tangible assets	657	2,992
Decrease in debtors	43,149	12,170
Increase/(decrease) in creditors	44,070	(94,659)
NET CASH GENERATED FROM OPERATING ACTIVITIES	901,510	589,583
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawings by members	(637,873)	(436,217)
NET CASH USED IN FINANCING ACTIVITIES	(637,873)	(436,217)
INCREASE IN CASH AND CASH EQUIVALENTS	263,637	153,366
Cash and cash equivalents at beginning of year	415,404	262,038
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	679,041	415,404
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	679,041	415,404
	679,041	415,404

The notes on pages 13 to 22 form part of these financial statements.

HAMPSTEAD CAPITAL LLP

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

1. GENERAL INFORMATION

Hampstead Capital LLP ("the LLP") is a limited liability partnership incorporated and domiciled in England and Wales. Its registered office is at 16 Old Bailey, London, EC4M 7EG. The principal activity of the LLP is to provide investment advisory services.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" and the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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. It also requires management to exercise judgment in applying the entity's accounting policies (see Note 3).

The following principal accounting policies have been applied:

2.2 TURNOVER

Turnover comprises revenue recognised by the LLP in respect of services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue is recognised in accordance with the terms of the agreements established between the LLP and its customers, with the management fees being recognised on a monthly basis as services are provided and performance fees recognised when the performance period ends.

2.3 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the LLP assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

2. ACCOUNTING POLICIES (CONTINUED)

2.3 TANGIBLE FIXED ASSETS (CONTINUED)

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.

Depreciation is provided on the following basis:

Fixtures & fittings	- 5 Years
Office equipment	- 3 Years
Computer equipment	- 3 Years
Software	- 3 Years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

2.4 OPERATING LEASES: LESSEE

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

2.5 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the LLP's cash management.

2.7 FINANCIAL INSTRUMENTS

The LLP only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.8 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

HAMPSTEAD CAPITAL LLP

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

2. ACCOUNTING POLICIES (CONTINUED)

2.9 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The LLP's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account except when deferred in other comprehensive income as qualifying cash flow hedges.

2.10 PENSIONS

The LLP contributes to the personal pension plans of certain employees. The pension charge represents the amounts payable by the LLP to the personal pension plans in respect of the year.

2.11 TAXATION

In accordance with Section 10 of the Limited Liability Partnership Act 2000, any trade, profession or business carried on by the LLP is treated as though that business were carried on in partnership by its members. Accordingly, any liability to taxation is that of the members themselves and not of the LLP. Thus there is no provision for taxation in these financial statements.

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

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, management has to make judgements on how to apply the LLP's accounting policies and make estimates about the future. The critical judgements that have been made in arriving at the amounts recognised in the financial statements and the key areas of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the next financial year, are discussed below:

Impairment of trade and other debtors

The LLP makes an estimate of the recoverable value of trade and other debtors, including accrued income. When assessing impairment of trade and other debtors, management considers factors including the credit rating of the debtor, the ageing profile of debtors and historical experience. See Note 10 for the net carrying amount of the debtors.

Prepayments and accrued income

Prepayments are based on pro rata calculation for a period on the assumption that the work is divided evenly throughout the period while accrued income is based on services provided before the year end using pre agreed formulae with customers.

Accruals

Accrued amounts are estimated based on past knowledge of suppliers and work done or services provided or post year end invoices.

4. TURNOVER

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

All turnover arose within Europe.

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2018 £	2017 £
Staff costs (Note 7)	386,948	333,503
Depreciation of tangible fixed assets	657	2,992
Exchange differences	(2,452)	11,164
Operating lease rentals	90,559	106,571

HAMPSTEAD CAPITAL LLP

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

6. AUDITOR'S REMUNERATION

	2018 £	2017 £
Fees payable to the LLP's auditor for the audit of the LLP's annual accounts	10,555	12,267
Fees payable to the LLP's auditor in respect of all other services	4,905	3,519
	<u>15,460</u>	<u>15,786</u>

7. EMPLOYEES

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	335,708	293,692
Social security costs	37,697	31,746
Other pension costs (Note 15)	13,543	8,065
	<u>386,948</u>	<u>333,503</u>

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

	2018 Number	2017 Number
Administration	5	5
	<u>5</u>	<u>5</u>

HAMPSTEAD CAPITAL LLP

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

8. INFORMATION IN RELATION TO MEMBERS

	2018 Number	2017 Number
The average number of members during the year was	3	3
	<u>2018</u> £	<u>2017</u> £
The amount of profit attributable to the member with the largest entitlement was	231,817	117,873

Subject to the discretion of the members, the profit for the financial year is allocated to the members after finalisation of the LLP's financial statements in accordance with the profit share percentage stated in the LLP's Limited Liability Partnership Deed.

The members of the LLP are considered the key management personnel.

9. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Office equipment £	Computer equipment £	Software £	Total £
COST OR VALUATION					
At 1 April 2017	54,278	6,638	46,777	28,350	136,043
At 31 March 2018	<u>54,278</u>	<u>6,638</u>	<u>46,777</u>	<u>28,350</u>	<u>136,043</u>
DEPRECIATION					
At 1 April 2017	54,278	6,554	46,204	28,350	135,386
Charge for the year on owned assets	-	84	573	-	657
At 31 March 2018	<u>54,278</u>	<u>6,638</u>	<u>46,777</u>	<u>28,350</u>	<u>136,043</u>
NET BOOK VALUE					
At 31 March 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2017	<u>-</u>	<u>84</u>	<u>573</u>	<u>-</u>	<u>657</u>

HAMPSTEAD CAPITAL LLP

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

10. DEBTORS

	2018	2017
	£	£
Other debtors	8,830	12,533
Prepayments and accrued income	125,858	165,304
Amounts due from members (Notes 14 & 17)	477,777	508,984
	<u>612,465</u>	<u>686,821</u>

11. CASH AND CASH EQUIVALENTS

	2018	2017
	£	£
Cash at bank and in hand	<u>679,041</u>	<u>415,404</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	28,337	3,598
Other taxation and social security	8,682	6,760
Other creditors	16,515	4,512
Accruals and deferred income	174,338	168,932
	<u>227,872</u>	<u>183,802</u>

HAMPSTEAD CAPITAL LLP

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

13. FINANCIAL INSTRUMENTS

	2018 £	2017 £
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	679,041	415,404
Financial assets that are debt instruments measured at amortised cost	610,291	673,361
	<u>1,289,332</u>	<u>1,088,765</u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	(219,190)	(177,042)
	<u>(219,190)</u>	<u>(177,042)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise other debtors, accrued income and amounts due from members.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

HAMPSTEAD CAPITAL LLP

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

14. RECONCILIATION OF MEMBERS' INTERESTS

	EQUITY Members' other interests			DEBT Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' capital (classified as equity) £	Other reserves £	Total £	Other amounts £	Total £	Total £
Amounts due from members				(508,984)	(508,984)	
BALANCE AT 31 MARCH 2017	250,000	669,080	919,080	(508,984)	(508,984)	410,096
Profit for the year available for discretionary division among members	-	813,634	813,634	-	-	813,634
MEMBERS' INTERESTS AFTER PROFIT FOR THE YEAR	250,000	1,482,714	1,732,714	(508,984)	(508,984)	1,223,730
Allocation of profits	-	(669,080)	(669,080)	669,080	669,080	-
Drawings	-	-	-	(637,873)	(637,873)	(637,873)
Amounts due from members				(477,777)	(477,777)	
BALANCE AT 31 MARCH 2018	250,000	813,634	1,063,634	(477,777)	(477,777)	585,857

Under the partnership agreement relating to the LLP, members' capital amounts paid into the LLP may only be withdrawn by the relevant member if:

- they cease to be a member and an equal amount is contributed by the other members or by any person replacing them as a member; or
- the LLP is wound up or otherwise dissolved; or
- following reductions to capital made in accordance with the LLP agreement (with the prior consent of the other members) and FCA regulations.

HAMPSTEAD CAPITAL LLP

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

15. PENSION COMMITMENTS

The LLP makes a contribution to the personal pension plans of certain employees. The assets of the plans are held separately from those of the LLP in an independently administered fund. The pension cost charge represents contributions payable by the LLP to the fund and amounted to £13,543 (2017 - £8,065). At the balance sheet date, there were outstanding contributions payable to the fund of £Nil (2017 - £Nil).

16. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2018 the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	234,480	234,480
Later than 1 year and not later than 5 years	246,686	481,166
	<u>481,166</u>	<u>715,646</u>

The LLP's commitment under non-cancellable operating leases shown above is a joint commitment with a related undertaking, Rinkelberg Capital Limited, with the LLP recognising a 50% share of this cost up to 31 December 2017 and 20% thereafter in its Profit and Loss Account.

17. RELATED PARTY TRANSACTIONS

At 31 March 2018, the following amounts, which were paid to the members of the LLP in anticipation of profit shares, were due from the members of the LLP:

	2018 £	2017 £
A B Van Dam	247,463	253,066
C Banse	230,314	255,918
	<u>477,777</u>	<u>508,984</u>

18. CONTROLLING PARTY

The designated members consider that the LLP has no controlling party.