

# Optimus Capital LLP

## MEMBERS' REPORT AND AUDITED FINANCIAL STATEMENTS

Year ended 31<sup>st</sup> December 2014

TUESDAY



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COMPANIES HOUSE

**Members**

C Gordon  
C Fitzsimmons  
J Kane  
G Voke  
Murdoch Laing  
Gypsum Ltd

**Business address  
and registered office**

54 Welbeck Street  
London  
W1G 9XS

**Auditor**

KP Audit LLP (formerly Kinetic Partners Audit LLP)  
One London Wall  
Level 10  
London  
EC2Y 5HB

**Registered number**

OC348019

## MEMBERS' REPORT

The Members present their annual report together with the financial statements of Optimus Capital LLP ("the LLP") for the year ended 31 December 2014.

### Principal activities

The LLP's principal activity during the year was that of providing investment management and advisory services. The LLP is regulated by the Financial Conduct Authority (the "FCA") and was authorised to hold client money in the prior year, but no longer does so.

The Members do not anticipate any change in the nature of the LLP's principal activity.

### Results for the year and allocation to Members

The LLP made a loss for the year of £501,418 (2013: loss of £325,641). The balance sheet at 31 December 2014, as detailed on page 8, shows Members' other interests amounting to £892,443 (2013: £1,303,861).

### Members

The following were Members during the year:

C Gordon	(Designated Member)
C Fitzsimmons	(Designated Member)
J Kane	
G Voke	
Murdoch Laing	
Gypsum Ltd	
O Proshan	(Resigned 15 April 2014)

### Policy with respect to Members' drawings and subscription and repayment of capital

Policies with respect to Members' drawings, subscriptions and repayment of capital are governed by the Partnership agreement dated 23 December 2013. Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

New members are required to subscribe a minimum level of capital and in subsequent years Members may be invited to contribute further capital. On retirement, any drawings in excess of profits allocated and allocated losses are deducted from capital before any repayment of capital to a Member is considered, subject to FCA approval.

### Going concern

The LLP was provided with loans totalling £350,000 (an interest bearing loan of £250,000 and an interest free loan of £100,000) during the year (see note 8) which have enabled the LLP to have sufficient liquid resources to meet its liabilities as they fall due. The LLP thus has sufficient liquid resources and the Members are actively seeking new business opportunities which are expected to generate future profits. The Members have committed to make funds available from their personal resources as necessary to enable the LLP to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. Accordingly the financial statements are prepared on the going concern basis.

### Pillar 3

The LLP is required by its regulator, the Financial Conduct Authority ("the FCA"), to make disclosure of risk management, regulatory capital and remuneration policy in accordance with Pillar 3 of the Capital Requirements Directive. This disclosure is publicly available on the website <http://www.kinetic-partners.com/Regulatoryconsultingcompliance/UKregulation/Hosteddisclosures/>.

## MEMBERS' REPORT

### **Responsibilities of the Designated Members**

The Designated Members are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnership Regulations (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "2008 Regulations") require 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 Regulation 8 of the 2008 Regulations, 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 results 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 judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business; and
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements.

The Members confirm that they have complied with the above requirements in preparing the financial statements.

Under Regulation 6 of the 2008 Regulations, the Members are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the LLP and that enable them to ensure that the financial statements comply with those Regulations. The Members 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.

The Members are responsible for the maintenance and integrity of the corporate and financial information included on the LLP's website. It is important to bear in mind that legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Principal risks and uncertainties**

The principal risks and uncertainties are the LLP's ability to secure and retain clients. . The LLP is also exposed to risks associated with underperformance of assets under discretionary management, for example, retention of investors and maintenance of assets under management and the level of related fee income to the LLP.

The LLP has no significant exposure to market (price, interest rate or foreign currency) risk, or to legal or operational risks. The LLP has cumulative losses and has received loans for working capital purposes and thus appropriately mitigated liquidity risk. The LLP has also made loans and monitors and mitigates related credit risk.

### **Statement as to disclosure of information to auditor**

So far as the Members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LLP's auditor is unaware, and each Member has taken all the steps that he ought to have taken as a Member in order to make himself aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

## MEMBERS' REPORT

### **Auditor**

The auditor, KP Audit LLP (formerly Kinetic Partners Audit LLP), has indicated their willingness to continue in office and a proposal to re-appoint them for the ensuing year will be considered at the next Members' meeting.

On behalf of the Members



Campbell Gordon  
Designated Member  
22 April 2015

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTIMUS CAPITAL LLP**

We have audited the financial statements of Optimus Capital LLP (the "LLP") for the year ended 31 December 2014, which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes. 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).

This report is made solely to the LLP's Members, as a body, in accordance with the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnership (Accounts and Audit) (Application 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 Partnership and the LLP's Members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of members and auditor**

As explained more fully in the Members' responsibilities statement set out on page 3, the Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' report to identify material inconsistencies with the audited financial statements, and to identify any information that is apparently materially incorrect based on, as materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTIMUS CAPITAL LLP (continued)

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 December 2014 and of its loss 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.

### 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 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.

KP Audit LLP

Deborah Weston (senior statutory auditor)

For and on behalf of KP Audit LLP (formerly Kinetic Partners Audit LLP), Statutory Auditor

One London Wall, Level 10

London

EC2Y 5HB

22 April 2015



**PROFIT AND LOSS ACCOUNT**  
For the year ended 31 December 2014

		<b>2014</b>	<b>2013</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	2	207,322	920,162
Administrative expenses		(708,740)	(1,245,803)
<b>Loss for the year available for discretionary division among Members</b>	3	<u>(501,418)</u>	<u>(325,641)</u>

All amounts relate to continuing operations.

**Statement of total recognised gains and losses**

There were no recognised gains or losses in the current or previous year other than the loss for the current and previous year shown above.

The notes on pages 10 to 18 form part of these financial statements.



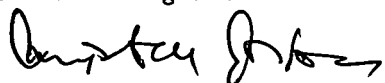
**BALANCE SHEET**

At 31 December 2014

Registered number OC348019

		2014		2013	
	Note	£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	6		29,230		50,969
<b>Current Assets</b>					
Debtors	7	1,408,832		1,323,915	
Cash at bank		12,278		27,234	
		1,421,110		1,351,149	
<b>Creditors: Amounts falling due within one year</b>	8	(307,897)		(98,257)	
<b>Net current assets</b>			1,113,213		1,252,892
<b>Creditors: Amounts falling due after one year</b>	9	(250,000)		-	-
<b>Net assets</b>			892,443		1,303,861
<b>Represented by:</b>					
<b>Members' other interests</b>					
Members' capital classified as equity			2,177,543		2,087,543
Other reserves			(1,285,100)		(783,682)
			892,443		1,303,861
<b>Total Members' Interest</b>					
Amounts due from Members	12	(893,939)		(853,439)	
Members' other interests	12	892,443		1,303,861	
		(1,496)		450,422	

The financial statements on pages 7 to 18 were authorised and approved at a meeting of the Members on 22 April 2015 and signed on their behalf by:



Campbell Gordon  
Designated Member

The notes on pages 10 to 18 form part of these financial statements.

**CASH FLOW STATEMENT**  
For the year ended 31 December 2014

	<b>Note</b>	<b>2014</b> £	<b>2013</b> £
Net cash outflow from operating activities	13	(64,456)	(638,978)
Capital expenditure and financial investment	14	-	(2,982)
Net cash inflow from transaction with members	14	49,500	450,908
<b>Decrease in cash in the year</b>	<b>15</b>	<b>(14,956)</b>	<b>(191,052)</b>

The notes on pages 10 to 18 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

### I. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared on a going concern basis under the historical cost convention, and in accordance with applicable accounting standards, the Limited Liability Partnerships Act (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the Large and medium sized LLP (Accounts) Regulations 2008, and the Statement of Recommended Practice (SORP), "Accounting by Limited Liability Partnerships" published in March 2010.

#### **Going concern**

The LLP was provided with loans totalling £350,000 (an interest bearing loan of £250,000 and an interest free loan of £100,000) during the year (see note 8) which have enabled the LLP to have sufficient liquid resources to meet its liabilities as they fall due. The LLP thus has sufficient liquid resources and the Members are actively seeking new business opportunities which are expected to generate future profits. The Members have committed to make funds available from their personal resources as necessary to enable the LLP to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. Accordingly the financial statements are prepared on the going concern basis.

#### **Revenue recognition**

Revenue is recognised to the extent that the right to consideration is obtained in exchange for performance.

#### **Expenses**

Expenses have been recognised on an accruals basis.

#### **Tangible Fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Leasehold improvements	- Straight line over the term of the lease
Fixtures & fittings	- 30% reducing balance
Equipment	- 33.3% straight line

#### **Operating leases**

Rentals under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

### **Members' participation rights**

Members' participation rights are the rights of a Member against the LLP that arise under the Partnership Agreement dated 23 December 2013 (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profit shares).

Amounts subscribed or otherwise contributed by Members, for example Members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to Members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to Members are in the nature of liabilities. They are therefore treated as an expense in the Profit and Loss Account in the relevant year. To the extent that they remain unpaid at the period end, they are shown as liabilities in the Balance Sheet.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among Members in the Profit and Loss Account and are equity appropriations in the Balance Sheet.

Other amounts applied to Members, for example remuneration and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

### **Foreign currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating loss.

### **Taxation**

No provision has been made for taxation in the financial statements. Each Member is exclusively liable for any tax liabilities arising out of their interest in the LLP. Tax is assessed on the individual Members and not on the LLP.

## **2. TURNOVER**

Turnover, which is stated net of net of VAT and any rebates, represents fees for services provided in the United Kingdom to clients in the United Kingdom of £197,607 (2013: £220,162) and the rest of the world of £9,714 (2013: £700,000).

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

**3. OPERATING LOSS**

Operating loss stated after charging/(crediting):

	2014	2013
	£	£
Depreciation of owned fixed assets	21,738	26,981
Loss on disposal of fixed assets	-	128
Operating lease costs	133,542	133,209
Gain on foreign currency translation	-	(131)
Auditor's remuneration:		
Audit services	10,500	10,500
Non audit services:		
- Taxation	3,000	2,000
- Regulatory compliance	18,870	49,410

**4. STAFF COSTS**

Staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	97,361	109,250
Social security costs	9,165	11,286
	<u>106,526</u>	<u>120,536</u>

The average number of employees during the year was as follows:

	2014	2013
	£	£
Administration	<u>1</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 December 2014

5. INFORMATION IN RELATION TO MEMBERS

	2014	2014
	£	£
The average number of Members during the year was	7	6
	2014	2013
	£	£
Loss for the year available for discretionary division among Members	(501,418)	(325,641)
Average Members' remuneration during the year was	-	-

6. TANGIBLE FIXED ASSETS

	Leasehold improvements	Office equipment	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 January/ 31 December 2014	37,600	16,653	59,039	113,292
<b>Depreciation</b>				
At 1 January 2014	15,394	6,649	40,280	62,323
Charge for the year	7,248	2,621	11,870	21,739
At 31 December 2014	22,642	9,270	52,150	84,062
<b>Net book value</b>				
At 31 December 2014	14,958	7,383	6,889	29,230
At 31 December 2013	22,206	10,004	18,759	50,969

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 December 2014

<b>7. DEBTORS</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade debtors	3,550	4,818
VAT recoverable	10,928	21,797
Other debtors	338,554	286,156
Prepayments and accrued income	68,677	64,521
Rent deposit	93,184	93,184
Amounts due from Members	893,939	853,439
	<u>1,408,832</u>	<u>1,323,915</u>

Included in other debtors is an amount of £261,973 (2013: £260,654) due from Welbeck Investment Partners LLP repayable on 31 August 2017.

**8. CREDITORS: Amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	179,915	79,276
Accruals and deferred income	15,000	15,500
Other creditors	12,982	3,481
Loans	100,000	-
	<u>307,897</u>	<u>98,257</u>

On 1 July 2014 a loan of £100,000 was made to the LLP by Connaught Square Partners Limited. This loan is interest free and is repayable within 3 months of notice of such repayment being given.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

## 9. CREDITORS: Amounts falling due after one year

	2014	2013
	£	£
Loans	250,000	-
	<u>250,000</u>	<u>-</u>

On 15 July 2014 a loan of £100,000 was made to the LLP by Connaught Square Partners Limited. Interest is incurred on the loan at LIBOR + 2%. The loan is repayable five years from the date of the drawdown. The loan amount was increased to £200,000 on 24 November 2014 and to £250,000 on 4 December 2014, under the same terms.

## 10. COMMITMENTS UNDER OPERATING LEASES

As 31 December 2014 the LLP had annual commitments under non-cancellable operating leases as set out below:

	2014	2013
	£	£
Operating leases which expire:		
More than 5 years	<u>133,120</u>	<u>133,120</u>

## 11. RELATED PARTY TRANSACTIONS

Welbeck Investment Partners LLP ("Welbeck") is a related party of the LLP as, during the year ended 31 December 2014, certain Members of the LLP were Members of Welbeck. During the year the LLP paid expenses of £1,319 (2013: £184,654) on behalf of Welbeck. At 31 December 2014 Welbeck owed the LLP £261,973 (2013: £260,654). This balance included the loan disclosed in note 7.



NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 December 2014

## 12. MEMBERS' INTERESTS

	Members' capital (classified as equity)	Other reserves	Total	Loans and other debts due to/(from) Members	Total 2014	Total 2013
	£	£	£	£	£	£
Amounts due to Members				-		
Amounts due from Members				(853,439)		
Balance at 1 January 2014	2,087,543	(783,682)	1,303,861	(853,439)	450,422	325,155
Loss for the financial year available for discretionary distribution among Members	-	(501,418)	(501,418)	-	(501,418)	(325,641)
Members' interests after loss for the year	2,087,543	(1,285,100)	802,443	(853,439)	(50,996)	(486)
Introduced by Members	90,000	-	90,000	-	90,000	1,008,000
Capital amounts repaid to members	-	-	-	-	-	-
Other movements	-	-	-	50,000	-	-
Drawings	-	-	-	(90,500)	(90,500)	(557,092)
Balance at 31 December 2014	2,177,543	(1,285,100)	892,443	(893,939)	(1,496)	450,422
Amounts due to Members				-		
Amount due from Members				(893,939)		
				(893,939)		

In the event of winding up, the creditors of the LLP will be paid before Members' distribution or the repayment of Members' capital.

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 December 2014

**13. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2014	2013
	£	£
Operating loss	(501,418)	(325,641)
Loss on disposal of fixed assets	-	128
Depreciation	21,739	26,981
Increase in debtors	(44,417)	(181,153)
Increase/(decrease) in creditors	459,640	(159,293)
Net cash outflow from operating activities	<u>(64,456)</u>	<u>(638,978)</u>

**14. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2014	2013
	£	£
<b>Capital expenditure and financial investment</b>		
Proceeds from disposals of tangible fixed assets	-	2,439
Purchases of tangible fixed assets	-	(5,421)
	<u>-</u>	<u>(2,982)</u>
<b>Transaction with Members</b>		
Payments to Members	(90,500)	(557,092)
Other movements	50,000	-
Contributions by Members	90,000	1,008,000
Net cash inflow from transactions with Members	<u>49,500</u>	<u>450,908</u>

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 December 2014

**15. ANALYSIS OF CHANGES IN NET FUNDS**

Reconciliation of net cash flow to movement in net funds:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Decrease in cash in the year	(14,956)	(191,052)
Net funds at 1 January	27,234	218,286
Net funds at 31 December	<u>12,278</u>	<u>27,234</u>

**16. IMMEDIATE AND ULTIMATE CONTROLLING PARTY**

The immediate and ultimate controlling party of the LLP is Mr C Gordon.