

Limited Liability Partnership Registration No. OC369340 (England and Wales)

VGC PARTNERS LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

VGC PARTNERS LLP

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 10

VGC PARTNERS LLP

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3		7,954		3,290
Investments	4		805,712		1,103,614
			<u>813,666</u>		<u>1,106,904</u>
Current assets					
Debtors	5	556,578		271,130	
Cash at bank and in hand		680,852		218,239	
		<u>1,237,430</u>		<u>489,369</u>	
Creditors: amounts falling due within one year	6	<u>(2,039,232)</u>		<u>(1,557,925)</u>	
Net current liabilities			<u>(801,802)</u>		<u>(1,068,556)</u>
Total assets less current liabilities and net assets attributable to members			<u>11,864</u>		<u>38,348</u>
Represented by:					
Loans and other debts due from members within one year	8				
Amounts due from members in respect of drawings in excess of amounts introduced and profits allocated			(76,663)		(50,179)
Members' other interests	8				
Members' capital classified as equity			88,527		88,527
			<u>11,864</u>		<u>38,348</u>

The members of the limited liability partnership have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships regime.

The financial statements were approved by the members and authorised for issue on 9 May 2022 and are signed on their behalf by:

Mr P. Basran
Designated member

Limited Liability Partnership Registration No. OC369340

VGC PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Limited liability partnership information

VGC Partners LLP is a limited liability partnership incorporated in England and Wales. The registered office is 2 Portman Street, Portman House, London, W1H 6DU.

The limited liability partnership's principal activities are disclosed in the Members' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The members have prepared detailed trading and cash flow forecasts for the year ended to 31 December 2022 and beyond. Based on these forecasts, the board expects that the partnership will have available adequate resources and facilities to continue to trade for the foreseeable future. The members are committed to working within the partnership's forecasts to achieve further profitability in 2022 and beyond and have therefore prepared these financial statements on a going concern basis.

1.3 Turnover

Turnover represents the amounts recoverable for the services provided to clients, excluding value added tax, under contractual obligations which are performed gradually over time.

If, at the balance sheet date, completion of contractual obligations is dependent on external factors (and thus outside the control of the Limited Liability Partnership), then revenue is recognised only when the event occurs. In such cases, costs incurred up to the balance sheet date are carried forward as work in progress.

VGC PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.4 Members' participating interests

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

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

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

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

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

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on reducing balance
Computers	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

VGC PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Fixed asset investments comprise of shareholdings in participating interests and high value collectable assets.

The shareholdings in participating interests were initially measured at their deemed cost, which is equal to their market value at the point that they were transferred to the LLP. Subsequently, they are measured at the deemed cost less any accumulated impairment losses. The relevant holdings are assessed for impairment at each reporting date and any impairment losses are recognised immediately in profit or loss.

The high value collectable assets were initially measured at their deemed cost, which is equal to their market value at the point that they were transferred to the LLP. Subsequently, they are measured at the deemed cost less any accumulated impairment losses. The relevant assets are assessed for impairment at each reporting date (based on professional valuations) and any impairment losses are recognised immediately in profit or loss. These assets are expected to at least hold their value over time and are not considered to have an identifiable lifespan given their collectable nature. The Members, therefore, do not consider there to be a consistent basis on which to depreciate the assets.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the profit and loss account.

1.7 Financial instruments

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

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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.

VGC PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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 limited liability partnership 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 limited liability partnership after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the limited liability partnership's obligations expire or are discharged or cancelled.

1.8 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 fixed 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 limited liability partnership is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits and post retirement payments to members

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

VGC PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average number of persons (excluding members) employed by the partnership during the year was 6 (2020 - 4).

	2021 Number	2020 Number
Total	6	4

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2021	7,349
Additions	5,900
At 31 December 2021	13,249
Depreciation and impairment	
At 1 January 2021	4,059
Depreciation charged in the year	1,236
At 31 December 2021	5,295
Carrying amount	
At 31 December 2021	7,954
At 31 December 2020	3,290

4 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	112,922	466,114
Other investments other than loans	692,790	637,500
	805,712	1,103,614

VGC PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

(Continued)

4 Fixed asset investments

Movements in fixed asset investments

	Shares in group undertakings and participating interests	Other investments other than loans	Total
	£	£	£
Cost or valuation			
At 1 January 2021	466,114	637,500	1,103,614
Additions	-	55,290	55,290
Disposals	(353,192)	-	(353,192)
	<u>112,922</u>	<u>692,790</u>	<u>805,712</u>
At 31 December 2021	112,922	692,790	805,712
Carrying amount			
At 31 December 2021	<u>112,922</u>	<u>692,790</u>	<u>805,712</u>
At 31 December 2020	<u>466,114</u>	<u>637,500</u>	<u>1,103,614</u>

5 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	162,146	10,001
Amounts owed by group undertakings and undertakings in which the LLP has a participating interest	250,649	137,136
Other debtors	143,783	123,993
	<u>556,578</u>	<u>271,130</u>

6 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	147,127	184,507
Amounts owed to group undertakings and undertakings in which the LLP has a participating interest	1,725,396	1,079,527
Taxation and social security	62,176	168,912
Other creditors	104,533	124,979
	<u>2,039,232</u>	<u>1,557,925</u>

VGC PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Operating lease commitments

Lessee

At the reporting end date the limited liability partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021	2020
	£	£
Within one year	67,325	32,033
Between two and five years	-	103
	<hr/>	<hr/>
	67,325	32,136
	<hr/>	<hr/>

VGC PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

8 Reconciliation of Members' Interests

	EQUITY		DEBT		TOTAL
	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Members' Other reserves capital (classified as equity)	Total Other amounts	Total	Total	2021
	£	£	£	£	£
Members' interests at 1 January 2021	88,527	-	88,527	(50,179)	38,348
Profit for the financial year available for discretionary division among members	-	755,614	755,614	-	755,614
Members' interests after profit for the year	88,527	755,614	844,141	(50,179)	793,962
Allocation of profit for the financial year	-	(755,614)	(755,614)	755,614	-
Introduced by members	-	-	-	675,000	675,000
Drawings	-	-	-	(1,457,098)	(1,457,098)
Members' interests at 31 December 2021	88,527	-	88,527	(76,663)	11,864

VGC PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Loans and other debts due to members

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

10 Audit report information

The auditor's report was unqualified.

The senior statutory auditor was Nikolaos Ioannidis.

The auditor was Shaw Gibbs (Audit) Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.