

Registered number: OC414255

BLUE WHALE CAPITAL LLP

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018



BLUE WHALE CAPITAL LLP

INFORMATION

Designated Members

P K Hargreaves
L H Yiu

LLP registered number

OC414255

Registered office

22-23 Old Burlington Street, London, W1S 2JJ

Independent auditors

haysmacintyre, 10 Queen Street Place, London, EC4R 1AG

BLUE WHALE CAPITAL LLP

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BLUE WHALE CAPITAL LLP

MEMBERS' REPORT FOR THE PERIOD ENDED 31 MARCH 2018

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

Principal activities

The LLP was incorporated on 20 October 2016 and commenced trading on 27 October 2017.

Designated Members

L H Yiu was a designated member of the LLP throughout the period.

Blue Whale Capital Limited was appointed as a designated member on incorporation on 20 October 2016 and resigned on 10 February 2017, on the same day P K Hargreaves was appointed as a designated member.

Members' capital and interests

Each member's subscription to the capital of the LLP is determined by their share of the profit and is repayable following retirement from the LLP.

Details of changes in members' capital in the period ended 31 March 2018 are set out in the Reconciliation of Members' Interests.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members in accordance with the provisions of the LLP Agreement dated 20 October 2016 subject to the cash requirements of the business.

Pillar III

Details of the LLP's Pillar 3 disclosures, required under Chapter 11 of the Financial Conduct Authority's Prudential Sourcebook for Banks, Building Societies and Investment Firms, are maintained on our website at: www.bluewhale.co.uk.

Remuneration Code

Details of the LLP's commitment to the Remuneration Code, required under rule 11.5.18R of the Financial Conduct Authority's Prudential Sourcebook for Banks, Building Societies and Investment Firms ("BIPRU") can be found on our website at: www.bluewhale.co.uk.

UK Stewardship Code

Details of the LLP's commitment to the UK Stewardship Code, required under rule 2.2.3R of the Financial Conduct Authority's Conduct of Business Sourcebook, can be found on our website at: www.bluewhale.co.uk.

Disclosure of information to auditors

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

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

BLUE WHALE CAPITAL LLP

**MEMBERS' REPORT (continued)
FOR THE PERIOD ENDED 31 MARCH 2018**



L H Yiu
Designated member

Date: 18 July 2018

BLUE WHALE CAPITAL LLP

MEMBERS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 MARCH 2018

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied to LLPs, 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 for the LLP's financial statements 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 entity 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 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.

BLUE WHALE CAPITAL LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BLUE WHALE CAPITAL LLP

Opinion

We have audited the financial statements of Blue Whale Capital LLP ("the LLP") for the period ended 31 March 2018, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Reconciliation of Members' Interests and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LLP's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The members are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

BLUE WHALE CAPITAL LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BLUE WHALE CAPITAL LLP (CONTINUED)

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 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the LLP's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

BLUE WHALE CAPITAL LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BLUE WHALE CAPITAL LLP (CONTINUED)

Melanie Pittas

Melanie Pittas (Senior Statutory Auditor)

for and on behalf of
haysmacintyre

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

18 July 2018

BLUE WHALE CAPITAL LLP

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2018

		Period ended 31 March 2018 £
Turnover	4	151,905
Cost of sales		(18,132)
		<hr/>
Gross profit		133,773
Administrative expenses		(604,658)
		<hr/>
Operating loss	5	(470,885)
Interest receivable and similar income		336
		<hr/>
Loss for the period before members' remuneration and profit shares available for discretionary division among members		<hr/> (470,549) <hr/>

There was no other comprehensive income for 2018.

The notes on pages 11 to 18 form part of these financial statements.

BLUE WHALE CAPITAL LLP
REGISTERED NUMBER: OC414255

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Note	As at 31 March 2018 £
Fixed assets		
Tangible assets	10	8,811
Current assets		
Debtors: amounts falling due within one year	11	103,348
Cash at bank and in hand	12	261,876
		<u>365,224</u>
Creditors: amounts falling due within one year	13	<u>(94,585)</u>
Net current assets		270,639
Net assets		<u><u>279,450</u></u>
Represented by:		
Members' other interests		
Members' capital classified as equity		750,000
Other reserves classified as equity		(470,550)
		279,450
		<u><u>279,450</u></u>
Total members' interests		
Amounts due from members (included in debtors)	11	(60,000)
Members' other interests		279,450
		<u><u>219,450</u></u>

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



Lap Hang Yiu

Designated member

The notes on pages 11 to 18 form part of these financial statements.

BLUE WHALE CAPITAL LLP

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE PERIOD ENDED 31 MARCH 2018**

	EQUITY Members' other interests			DEBT Loans and other debts due to members less any amounts due from members in debtors	Total members' interests
	Members' capital (classified as equity) £	Other reserves £	Total £	Other amounts £	Total £
Balance at 31 March 2017	-	-	-	-	-
Loss for the period available for discretionary division among members	-	(470,550)	(470,550)	-	(470,550)
Members' interests after profit for the period	-	(470,550)	(470,550)	-	(470,550)
Amounts introduced by members	750,000	-	750,000	-	750,000
Drawings	-	-	-	(60,000)	(60,000)
Amounts due from members				(60,000)	
Balance at 31 March 2018	750,000	(470,550)	279,450	(60,000)	219,450

The notes on pages 11 to 18 form part of these financial statements.

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

BLUE WHALE CAPITAL LLP

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2018

	2018 £
Cash flows from operating activities	
Loss for the financial period	(470,549)
Adjustments for:	
Depreciation of tangible assets	5,533
Interest received	(336)
Increase in debtors	(43,348)
Increase in creditors	94,584
Net cash generated from operating activities	<u>(414,116)</u>
Cash flows from investing activities	
Purchase of tangible fixed assets	(14,344)
Interest received	336
Net cash from investing activities	<u>(14,008)</u>
Cash flows from financing activities	
Members' capital contributed	750,000
Drawings paid to members	(60,000)
Net cash used in financing activities	<u>690,000</u>
Net increase in cash and cash equivalents	<u>261,876</u>
Cash and cash equivalents at the end of period	<u>261,876</u>
Cash and cash equivalents at the end of period comprise:	
Cash at bank and in hand	<u>261,876</u>

The notes on pages 11 to 18 form part of these financial statements.

BLUE WHALE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

1. General information

Blue Whale Capital LLP is a partnership, limited by members, registered in England and Wales, registration number OC414255. The registered office and trading address is 22 - 23 Old Burlington Street, London, United Kingdom, W1S 2JJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the Turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before Turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of Turnover can be measured reliably;
- it is probable that the LLP will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

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.

BLUE WHALE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 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:

Office equipment	- 3 years
Computer equipment	- 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 Statement of Comprehensive Income.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.5 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.

2.6 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

2.7 Creditors

Short term creditors are measured at the transaction price.

BLUE WHALE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.8 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 Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.9 Operating leases: the LLP as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The LLP has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard on 1 April 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.10 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make certain judgements and estimates. The LLP's designated members consider that the preparation of these financial statements, that there were no material judgements or estimates which could give rise to a material misstatements.

BLUE WHALE CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018**

4. Turnover

An analysis of turnover by class of business is as follows:

	2018 £
Investment management fees	151,905

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2018 £
Depreciation of tangible fixed assets	5,533
Exchange differences	2,020
Other operating lease rentals	52,733

6. Auditors' remuneration

	2018 £
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual financial statements	7,250

	2018 £
Fees payable to the LLP's auditor and its associates in respect of:	
Other services relating to taxation	1,800
All other assurance services	2,000
All other services	2,630
	6,430

BLUE WHALE CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018**

7. Employees

	2018 £
Salaries	16,667
Social security	1,925
	<u>18,592</u>

The average monthly number of employees in the period was 1.

8. Information in relation to members

	2018 Number
The average number of members during the period was	<u>2</u>
	2018 £
Losses available for discretionary distribution	<u>(473,199)</u>

9. Interest receivable

	2018 £
Other interest receivable	336
	<u>336</u>

BLUE WHALE CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018**

10. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
Additions	5,620	8,724	14,344
At 31 March 2018	<u>5,620</u>	<u>8,724</u>	<u>14,344</u>
Depreciation			
Charge for the period on owned assets	1,171	4,362	5,533
At 31 March 2018	<u>1,171</u>	<u>4,362</u>	<u>5,533</u>
Net book value			
At 31 March 2018	<u><u>4,449</u></u>	<u><u>4,362</u></u>	<u><u>8,811</u></u>

11. Debtors

	2018 £
Other debtors	9,224
Prepayments and accrued income	34,124
Amounts due from members	60,000
	<u>103,348</u>

12. Cash and cash equivalents

	2018 £
Cash at bank and in hand	<u><u>261,876</u></u>

BLUE WHALE CAPITAL LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

13. Creditors: Amounts falling due within one year

	2018 £
Trade creditors	63,896
Other taxation and social security	6,254
Accruals and deferred income	24,435
	<u>94,585</u>

14. Financial instruments

	2018 £
Financial assets	
Financial assets measured at amortised cost	<u>94,739</u>
Financial liabilities	
Financial assets measured at amortised cost	<u>90,981</u>

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

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

15. Commitments under operating leases

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

	2018 £
Not later than 1 year	46,374
Later than 1 year and not later than 5 years	27,052
	<u>73,426</u>

16. Related party transactions

During the year Blue Whale Capital LLP entered into a transaction worth £18,000 by R Hargreaves, son of P K Hargreaves in respect of the provision of consultancy services to the LLP. The transaction was entered into at arms length and no fees were outstanding at 31 March 2018.

BLUE WHALE CAPITAL LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018**

17. Controlling party

The controlling party is P K Hargreaves, designated member.