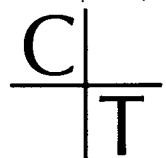
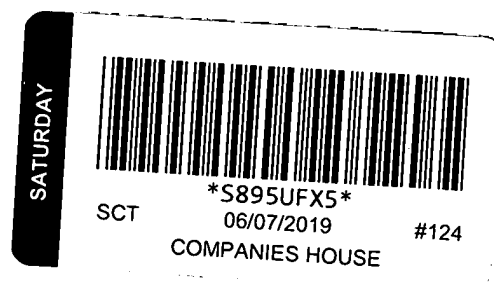


Midmar Capital LLP
Financial Statements
For the year ended
31 March 2019



Midmar Capital LLP

Financial Statements

Year ended 31 March 2019

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Midmar Capital LLP

Designated Members and Professional Advisers

Designated Members

Mrs G E Gallacher
Mr J K Gallacher

Registered Office

14-18 Hill Street
Edinburgh
EH2 3JZ

Auditor

Chiene + Tait LLP
Chartered Accountant & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

The Royal Bank of Scotland
142-144 Princes Street
Edinburgh
EH2 4EQ

Solicitors

Gillespie Macandrew LLP
5 Atholl Crescent
Edinburgh
EH3 8EJ

Midmar Capital LLP

Members' Report

Year ended 31 March 2019

The members present their report and the financial statements of the LLP for the year ended 31 March 2019.

Principal activity

The principal activity of the LLP during the year was that of fund management and providing regulatory compliance support to start-up investment firms.

Designated members

The designated members who served the LLP during the year were as follows:

Mrs G E Gallacher

Mr J K Gallacher

Policy regarding members' drawings and the subscription and repayment of amounts subscribed or otherwise contributed by members

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.

Members' responsibilities statement

The members are responsible for preparing the members' report and the financial statements in accordance with applicable law and regulations.

Company law as applied to limited liability partnerships 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). Under company law as applied to limited liability partnerships 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 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 enable them to ensure that the financial statements comply with 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. 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.

Midmar Capital LLP

Members' Report *(continued)*

Year ended 31 March 2019

This report was approved by the members on 4 July 2019 and signed on behalf of the members by:



Mr J K Gallacher
Designated Member

Opinion

We have audited the financial statements of Midmar Capital LLP (the 'LLP') for the year ended 31 March 2019 which comprise the statement of comprehensive income, statement of financial position, reconciliation of members' interests, statement of cash flows 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 FRS 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 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 UK, including the FRC'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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, 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.

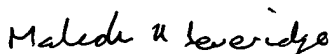
Auditor's responsibilities for the audit of the financial statements

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, as a body, in accordance with chapter 3 of part 16 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. 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 as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read 'Malcolm Beveridge'.

Malcolm Beveridge CA (Senior Statutory Auditor)

For and on behalf of

Chiene + Tait LLP

Chartered Accountant & Statutory Auditor

61 Dublin Street

Edinburgh

EH3 6NL

4 July 2019

Midmar Capital LLP

Statement of Comprehensive Income

Year ended 31 March 2019

	Note	2019 £	2018 £
Turnover	4	289,501	251,743
Gross profit		<u>289,501</u>	<u>251,743</u>
Administrative expenses		173,118	159,364
Operating profit	6	<u>116,383</u>	<u>92,379</u>
Profit for the financial year before members' remuneration and profit shares available for discretionary division among members		<u>116,383</u>	<u>92,379</u>

All the activities of the LLP are from continuing operations.

The notes on pages 11 to 15 form part of these financial statements.

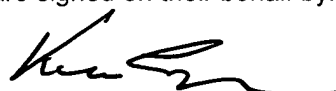
Midmar Capital LLP

Statement of Financial Position

31 March 2019

	Note	2019 £	£	2018 £
Fixed assets				
Tangible assets	9		4,194	1,455
Current assets				
Debtors	10	3,470		9,477
Cash at bank and in hand		73,547		50,284
		<u>77,017</u>		<u>59,761</u>
Creditors: amounts falling due within one year	11	<u>14,342</u>		<u>11,304</u>
Net current assets			62,675	48,457
Total assets less current liabilities			66,869	49,912
Net assets			66,869	49,912
Represented by:				
Loans and other debts due to members				
Other amounts	13		22,927	5,970
Members' other interests				
Members' capital classified as equity			43,942	43,942
Other reserves, including the fair value reserve			—	—
			<u>66,869</u>	<u>49,912</u>
Total members' interests				
Loans and other debts due to members	13		22,927	5,970
Members' other interests			43,942	43,942
			<u>66,869</u>	<u>49,912</u>

These financial statements were approved by the members and authorised for issue on 4 July 2019, and are signed on their behalf by:



Mr J K Gallacher
Designated Member

Registered number: SO302073

The notes on pages 11 to 15 form part of these financial statements.

Midmar Capital LLP

Reconciliation of Members' Interests

Year ended 31 March 2019

	Members' other interests			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, including the fair value reserve	Total	Other amounts	Total	Total_2019
Balance at 1 April 2018	£ 43,942	£ -	£ 43,942	£ 5,970	£ 5,970	£ 49,912
Profit for the financial year available for discretionary division among members	43,942	116,383	116,383			116,383
Members' interests after profit for the year		116,383	160,325	5,970	5,970	166,295
Other division of profits		(116,383)	(116,383)	116,383	116,383	-
Drawings				(99,426)	(99,426)	(99,426)
Balance at 31 March 2019	£ 43,942	£ -	£ 43,942	£ 22,927	£ 22,927	£ 66,869

The reconciliation of members' interests continues on the following page.

The notes on pages 11 to 15 form part of these financial statements.

Midmar Capital LLP

Reconciliation of Members' Interests (continued)

Year ended 31 March 2019

	Members' other interests		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, including the fair value reserve	Other amounts	Total	Total 2018
Balance at 1 April 2017	£ 43,942	£ -	£ 4,712	£ 4,712	£ 48,654
Profit for the financial year available for discretionary division among members	92,379	92,379			92,379
Members' interests after profit for the year	43,942	92,379	4,712	4,712	141,033
Other division of profits		(92,379)	92,379	92,379	-
Drawings			(91,121)	(91,121)	(91,121)
Balance at 31 March 2018	43,942	-	5,970	5,970	49,912

The notes on pages 11 to 15 form part of these financial statements.

Midmar Capital LLP

Statement of Cash Flows

Year ended 31 March 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	116,383	92,379
<i>Adjustments for:</i>		
Depreciation of tangible assets	900	371
Accrued (income)/expenses	(92)	544
<i>Changes in:</i>		
Trade and other debtors	6,007	(124)
Trade and other creditors	3,130	911
Cash generated from operations	126,328	94,081
Net cash from operating activities	126,328	94,081
Cash flows from investing activities		
Purchase of tangible assets	(3,639)	(965)
Net cash used in investing activities	(3,639)	(965)
Cash flows from financing activities		
Payments to members representing a return on amounts subscribed or otherwise contributed	(99,426)	(91,121)
Net cash used in financing activities	(99,426)	(91,121)
Net increase in cash and cash equivalents	23,263	1,995
Cash and cash equivalents at beginning of year	50,284	48,289
Cash and cash equivalents at end of year	73,547	50,284

The notes on pages 11 to 15 form part of these financial statements.

Midmar Capital LLP

Notes to the Financial Statements

Year ended 31 March 2019

1. General information

Midmar Capital LLP is a limited liability partnership incorporated in Scotland. The address of its registered office is 14-18 Hill Street, Edinburgh, EH2 3JZ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in January 2017 (SORP 2017).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

After reviewing the LLP's forecasts and projections, the members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. The LLP therefore continues to adopt the going concern basis in preparing its financial statements.

Revenue recognition

Turnover is recognised when the terms and legal obligations of contracts undertaken have been fulfilled.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Members' participation rights

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 FRS 102. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

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.

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 Statement of Financial Position.

Midmar Capital LLP

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due.

Creditors

Creditors are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Office furniture and equipment - 25% straight line

Cash at bank and at hand

Cash is represented by cash in hand and deposits with financial institution repayable without penalty on notice of not more than 24 hours.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Judgements and key sources of estimation uncertainty

In application of the LLP's accounting policies, the members are required to make judgements, estimates and assumptions that may affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no significant judgements, estimates and assumptions that may affect the amounts reported.

Midmar Capital LLP

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments, including trade debtors, trade creditors and cash at bank, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

4. Turnover

Turnover arises from:

	2019 £	2018 £
Rendering of services	<u>289,501</u>	<u>251,743</u>

The whole of the turnover is attributable to the principal activity of the LLP wholly undertaken in the United Kingdom.

5. Auditor's remuneration

	2019 £	2018 £
Fees payable for the audit of the financial statements	<u>1,550</u>	<u>1,450</u>
Fees payable to the LLP's auditor and its associates for other services: Taxation compliance services	<u>3,053</u>	<u>2,125</u>

6. Operating profit

Operating profit or loss is stated after charging:

	2019 £	2018 £
Depreciation of tangible assets	900	371
Operating lease payments	<u>32,800</u>	<u>31,435</u>

7. Information in relation to members

	2019 No.	2018 No.
Average number of members	<u>2</u>	<u>2</u>

8. Staff costs

There were no employees during the year (2018: nil).

Midmar Capital LLP

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

9. Tangible assets

	Plant and machinery £	Total £
Cost		
At 1 April 2018	5,660	5,660
Additions	3,639	3,639
At 31 March 2019	9,299	9,299
Depreciation		
At 1 April 2018	4,205	4,205
Charge for the year	900	900
At 31 March 2019	5,105	5,105
Carrying amount		
At 31 March 2019	4,194	4,194
At 31 March 2018	1,455	1,455

10. Debtors

	2019 £	2018 £
Trade debtors	3,000	9,000
Prepayments and accrued income	470	477
	3,470	9,477

11. Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred income	3,323	3,415
Social security and other taxes	11,019	7,889
	14,342	11,304

12. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2019 £	2018 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	3,000	9,000
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	3,323	3,415

Midmar Capital LLP
Detailed Income Statement
Year ended 31 March 2019

13. Loans and other debts due to members

	2019	2018
	£	£
Amounts owed to members in respect of profits	<u>22,927</u>	<u>5,970</u>

14. Pillar 3 disclosures

Midmar Capital LLP is authorised and regulated by the Financial Conduct Authority ("FCA"). The FCA is responsible, in the United Kingdom, for the implementation of the 2006 Capital Requirements Directive of the European Union. This Directive established a new regulatory capital framework for the financial services industry.

Midmar Capital LLP is required to make disclosures of its capital, risk exposures and risk assessment processes in compliance with part 11 of the Prudential Sourcebook for Banks, Building Societies and Investment Firms, and these are available on request from the partnership. The disclosure statement is reviewed annually and most recently in September 2018.

15. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	<u>31,333</u>	<u>30,420</u>

16. Related party transactions

In the opinion of the members J K Gallacher is the ultimate controlling party.

During the year the limited liability partnership purchased services to the value of £94,283 (2018: £86,971) from GEM Compliance Consulting Limited, a company in which the members are directors.