

REGISTERED NO. 03565673

DUKE STREET GENERAL PARTNER LIMITED

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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Annual report and financial statements for the year ended 31 December 2014

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STRATEGIC AND DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The Directors herewith submit their annual report for the year ended 31 December 2014.

Business review

Duke Street General Partner Limited (the 'Company') is a wholly owned subsidiary of Duke Street Private Equity Limited.

The Company is the General Partner to a number of partnerships (the 'funds') as listed in note 12 on page 10. A General Partners share is payable to the Company in accordance with the Limited Partnership Agreements of the Funds.

In turn, management fees are payable by the Company to Duke Street LLP for administration and advisory services provided by other Duke Street LLP Group entities.

Due to the simplistic nature of the company, the Directors do not use formal KPI's to assess the performance of the company.

Results for the year

The profit from ordinary activities after taxation for the financial year amounts to £268,000 (2013: £985,000 loss). No dividends were paid during the year (2013: £nil).

Risks and uncertainties

The key risk facing the company is the ability to earn General Partner Share from the funds. As the underlying funds have a number of years left to run, this risk is considered low.

The Company is also exposed to foreign currency risk as the underlying funds are denominated in Euro. Hedging is used to manage this risk.

Directors

The Directors who held office during the year are shown below:

Buchan Scott
Peter Taylor
Charlie Troup
Miles Cresswell-Turner
Stuart Hall

Company Registration Number: 03565673

Statement as to disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Appointment of Auditor

The company has passed an Elective Resolution to dispense with the obligation to appoint auditors annually, accordingly KPMG LLP remains in office.

On behalf of the board



Stuart Hall
Director
8 April 2015

STRATEGIC AND DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

Statement of Directors' Responsibilities in respect of Strategic Report, Directors' Report and the Financial Statements

The directors are responsible for preparing the Strategic and Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE INDEPENDENT AUDITORS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUKE STREET GENERAL PARTNER LIMITED

We have audited the financial statements of Duke Street General Partner Limited for the year ended 31 December 2014 set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jonathan Martin (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square,
London E14 5GL
8 April 2015

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

		Year ended 31 December 2014	Year ended 30 December 2013
	Note	£'000	£'000
Turnover		5,034	7,672
Administrative expenses		(4,703)	(7,164)
Operating profit	3	<u>331</u>	<u>508</u>
Other operating income	2	11	11
Profit on ordinary activities before taxation		<u>342</u>	<u>519</u>
Tax on profit on ordinary activities	5	(74)	(1,504)
Profit/(loss) on ordinary activities after taxation		<u>268</u>	<u>(985)</u>

The company has no recognised gains or losses other than those included in the profit and loss in the year, and therefore no statement of total recognised gains or losses is presented.

The notes on pages 7 to 10 form part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2014

		31 December 2014	31 December 2013
	Note	£'000	£'000
NON CURRENT ASSETS	7	200	200
CURRENT ASSETS			
Debtors	7	6,919	21,166
Cash at bank and in hand		3,015	3,662
		<u>10,134</u>	<u>25,028</u>
CREDITORS: amounts falling due within one year	8	(8,437)	(23,600)
		<u></u>	<u></u>
NET CURRENT ASSETS		1,697	1,429
Deferred tax	6	-	-
		<u></u>	<u></u>
TOTAL ASSETS LESS TOTAL LIABILITIES		<u>1,697</u>	<u>1,429</u>
CAPITAL AND RESERVES			
Share capital	9	55	55
Profit and loss account	10	1,642	1,374
		<u></u>	<u></u>
SHAREHOLDERS' FUNDS		<u>1,697</u>	<u>1,429</u>

The notes on pages 7 to 10 form part of these financial statements.

Approved by the Board of Directors at a meeting on 8 April 2015 and signed on its behalf by



Stuart Hall
Director
8 April 2015

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

	Year ended 31 December 14		Year ended 31 December 13	
	£'000	£'000	£'000	£'000
Cash flows from operating activities				
Operating profit on ordinary activities		331		508
Decrease/(increase) in debtors		14,248		(6,637)
(Decrease)/increase in creditors		<u>(15,237)</u>		<u>6,771</u>
Net cash (outflow)/inflow from operating activities		(658)		642
Returns on investment and servicing of finance				
Interest received		<u>11</u>		<u>11</u>
Net cash from investing activities		11		11
(Decrease)/increase in cash		<u><u>(647)</u></u>		<u><u>653</u></u>

Reconciliation of Net Cash Flow to Movement in Net Funds

	Year ended 31 December 14	Year ended 31 December 13
	£'000	£'000
(Decrease)/increase in net cash	(647)	653
Net funds at 1 January	3,662	3,009
Net funds at 31 December	<u><u>3,015</u></u>	<u><u>3,662</u></u>

The notes on pages 7 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. Accounting policies

The following accounting policies have been consistently applied in the financial statements.

a. Basis of accounting

The financial statements have been prepared in accordance with the historical cost accounting convention and applicable accounting standards.

b. Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

c. Turnover

Turnover represents the management priority profit share arising from the company's role as general partner of the Funds earned during the year.

d. Taxation

The charge for taxation is based on the result for the year and includes deferred taxation. Deferred tax assets and liabilities arise from timing differences between the recognition of gains and losses in the financial statements and their recognition for tax purposes. Deferred tax liabilities are fully recognised and deferred tax assets are recognised when it is considered more likely than not that the asset will be recoverable. Deferred tax assets and liabilities are recognised on an undiscounted basis.

e. Foreign currency

Transactions in foreign currencies are recorded using the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and gains and losses on translation are included in the profit and loss account.

f. Related Party transactions

As the Company is 100% controlled by Duke Street Private Equity and ultimately Duke Street LLP, the company has taken the exemption under FRS 8 from disclosing transactions with other wholly owned companies within the Duke Street LLP group.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

2.	Interest receivable	2014 £'000	2013 £'000
	Bank Interest Receivable	8	8
	Other Interest Receivable	3	3
		<u>11</u>	<u>11</u>

3.	Operating profit	2014 £'000	2013 £'000
	The profit on ordinary activities before tax has been arrived at after deducting Auditor's Remuneration	<u>18</u>	<u>20</u>

4. Employees and Directors

The company seconded employees from Duke Street Management Services Limited, a fellow subsidiary.

No directors are remunerated for serving in the office of a director of the company. All directors are members of Duke Street LLP, the ultimate parent of the company, and receive drawings from profits generated within Duke Street LLP.

5	Taxation	2014 £'000	2013 £'000
a)	Analysis of (charge)/credit		
	Current tax:		
	Corporation tax for period	(74)	(949)
	Adjustments in respect of previous periods	-	(46)
	Total current charge for the period (note 5b)	<u>(74)</u>	<u>(995)</u>
	Deferred tax credit	-	(509)
	Tax on profit on ordinary activities	<u>(74)</u>	<u>(1,504)</u>

b) Factors affecting tax charge for period

Profit on Ordinary Activities before Tax	342	519
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013: 23.25%)	(74)	(121)
Effects of		
Timing differences	-	(1,472)
Adjustment in respect of prior periods	-	(46)
Utilisation of tax losses	-	643
Charge to deferred tax	-	-
Current tax charge for the period	<u>(74)</u>	<u>(995)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

5 Taxation (continued)

Reductions in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) and to 21% (effective 1 April 2014) were substantively enacted on 3 July 2012 and 2 July 2013 respectively. This resulted in a weighted average rate of 21.49% for the year ended 31 December 2014 (2013: 23.25%). A further reduction to 20% (effective from 1 April 2015) was also substantively enacted on 2 July 2013.

This will reduce the company's future current tax rate accordingly.

6. Deferred Tax	2014 £'000	2013 £'000
Origination and reversal of timing differences	-	(509)
Total deferred tax charge	<u>-</u>	<u>(509)</u>
At start of period	-	509
Deferred tax charge in profit and loss account	-	(509)
	<u>-</u>	<u>-</u>
 7. Debtors	 2014 £'000	 2013 £'000
Amounts owed by fellow subsidiary undertakings	6,505	20,413
Amounts owed by DS Funds	315	575
Other debtors	99	178
	<u>6,919</u>	<u>21,166</u>
 Debtors due in more than one year	 200	 200
	<u>200</u>	<u>200</u>
 8. Creditors: amounts falling due within one year	 2014 £'000	 2013 £'000
Amounts owed to fellow subsidiary undertaking	6,954	21,591
Amounts owed to DS Funds	617	883
Accruals	866	1,126
	<u>8,437</u>	<u>23,600</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

9. Share Capital	2014 £'000	2013 £'000
Allotted, called up and fully paid during the period	<u>55</u>	<u>55</u>
10. Reserves – Profit and loss account	2014 £'000	2013 £'000
Opening balance as at 1 January	1,374	2,358
Profit for the financial year after tax	268	(985)
Profit & Loss account carried forward	<u>1,642</u>	<u>1,374</u>
11. Reconciliation of movements in shareholders' funds	2014 £'000	2013 £'000
Profit for the financial year	268	(985)
Net increase/(decrease) in shareholders' funds	<u>268</u>	<u>(985)</u>
Opening shareholders' funds	1,429	2,413
Closing shareholders' funds	<u>1,697</u>	<u>1,429</u>

12. Related party transactions

The company is the general partner and manager of seven Limited partnerships for whom it manages investments. The company received Priority Profit Share from the Limited partnerships, which amounted to £5,033,738 (2013: £7,672,205).

There were no other related party transactions outside those within the Duke Street LLP group during the year.

13. Ultimate parent company

The immediate parent company is Duke Street Private Equity Limited. The ultimate parent company is Duke Street LLP, registered address Nations House, 103 Wigmore St, London W1U 1QS.