

Alchemy Venture Partners Limited

**Directors' report and financial
statements**

Registered number 3274858
For the Year Ended 30 June 2015

**Macfarlanes LLP
20 Cursitor Street
London
EC4A 1LT**

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Contents

Directors' report	1
Statement of Directors' responsibilities in respect of the Directors' report and the financial statements	2
Independent auditor's report to the members of Alchemy Venture Partners Limited	3
Profit and loss account	4
Balance sheet	5
Notes	6

Directors' report

Principal activities and business review

The principal activity of the company is that of a services company.

The directors are satisfied with the results for the year, being in line with expectations. As planned, services provided to group companies continued during the year.

On the 2 September 2014, all the shares in the company held by Alchemy Partners LLP were transferred to Alchemy Partners L.P. Inc., an entity based in Guernsey.

Results and dividends

The profit for the year after taxation amounted to £254,155 (*30 June 2014: £244,684*).

The directors declared and paid a dividend of £nil during the year (*30 June 2014: £145,000*).

Directors

The directors of the company, who held office throughout the year, unless otherwise stated, were:

J. G. Loughrey (Resigned 14 September 2015)
J Rowland
I Cash
F Prakke

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Disclosure of information to auditor

The directors who held office at the date 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.

By order of the board



John Rowland
Director

21 Palmer Street
London
SW1H 0AD
25 September 2015

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the 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 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; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALCHEMY VENTURE PARTNERS LIMITED

We have audited the financial statements of Alchemy Venture Partners Limited for the year ended 30 June 2015 set out on pages 4 to 9. 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 30 June 2015 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 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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Jonathan Martin (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square
London, E14 5GL

30th September 2015

Profit and loss account
for the year ended 30 June 2015

	<i>Note</i>	Year to 30 June 2015 £	Year to 30 June 2014 £
Turnover	<i>1</i>	4,258,014	4,174,427
Administrative expenses		(3,942,605)	(3,916,108)
Operating profit		315,409	258,319
Interest Income		153	92
Profit on ordinary activities before taxation	<i>2</i>	315,562	258,411
Tax on profit on ordinary activities	<i>4</i>	(61,407)	(13,727)
Profit for the financial year		254,155	244,684

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical equivalents.

There were no recognised gains or losses other than those passing through the profit and loss account, and so no separate statement of recognised gains and losses has been prepared.

All of the results shown in the above profit and loss account are from continuing operations.

The notes on pages 6 to 9 form part of these financial statements.

Balance sheet
at 30 June 2015

	<i>Note</i>	30 June 2015		30 June 2014	
		£	£	£	£
Current assets					
Debtors: amounts falling due within one year	5	1,784,755		1,872,607	
Cash at bank and in hand		1,138		-	
			1,785,893		1,872,607
Current liabilities					
Creditors: amounts falling due within one year	6	(1,424,611)		(1,764,120)	
Bank overdraft		-		(1,360)	
			(1,424,611)		(1,765,480)
Net current assets/(liabilities)			361,282		107,127
Total assets less current liabilities			361,282		107,127
Net assets			361,282		107,127
Capital and reserves					
Called up share capital	7		2		2
Profit and loss account			361,280		107,125
Shareholder's funds	8		361,282		107,127

These financial statements were approved by the board of directors on 25 September 2015 and were signed on its behalf by:



John Rowland
Director

The notes on pages 6 to 9 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice).

Turnover

Turnover represents the amounts receivable for investment advisory and support services, excluding value added tax, provided to Alchemy Partners LLP and Alchemy Special Opportunities LLP. The investment advisory function is performed by investment professionals who are responsible for assisting with implementing the strategy for potential investments and for monitoring the performance of investments. The Support function provides back office services.

Current & Deferred taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Any deferred tax balance has not been discounted.

Pension contributions

The company makes payments to a defined contribution pension scheme on behalf of certain of its employees. The amount charged against profits represents the contributions paid or payable in respect of the accounting period.

Foreign exchange

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the Balance Sheet date.

Dividends

Dividends are only recognised as a liability to the extent that they are declared prior to the year end.

2 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	Year to 30 June 2015 £	Year to 30 June 2014 £
Auditor's remuneration:		
Audit	16,300	16,000
Tax	6,750	6,500

Notes (continued)

3 Directors and other employees

Staff costs including directors are as follows:

	Year to 30 June 2015 £	Year to 30 June 2014 £
Wages and salaries	2,492,866	2,576,179
Social security costs	326,470	338,736
Other pension costs	110,228	123,312
	<hr/>	<hr/>
	2,929,564	3,038,227
	<hr/>	<hr/>

The average number of staff employed by the company during the year was 16 (2014: 15).

There were four directors in office during the year (2014: four). No directors received any payments for their services (2014: nil).

4 Tax on profit on ordinary activities

Analysis of charge in period

	Year to 30 June 2015 £	Year to 30 June 2014 £
<i>UK corporation tax</i>		
Current tax on income for the period	64,782	49,464
Adjustment in respect of prior periods	219	4,104
Balancing payments received	(12,643)	(46,904)
	<hr/>	<hr/>
Total current tax	52,358	6,664
<i>Deferred tax</i>		
Origination of timing differences	9,049	7,063
	<hr/>	<hr/>
Total deferred tax	9,049	7,063
	<hr/>	<hr/>
Tax on profit on ordinary activities	61,407	13,727
	<hr/>	<hr/>

Notes (continued)

4 Tax on profit on ordinary activities (continued)

Factors affecting the tax charge for the current period

The current tax charge for the period is higher than the standard rate of corporation tax in the UK (20%; 2014: 21%). The differences are explained below.

	2015 £	2014 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	315,562	258,411
Current tax at 20.75% (2014: 22.50%)	65,481	58,146
<i>Effects of:</i>		
Credit not chargeable for tax purposes	-	(26,913)
Expenses not deductible for tax purposes	7,427	8,456
Capital allowances for period in excess of depreciation	(5,348)	(6,948)
Other timing differences	(2,778)	4,355
Transfer pricing adjustment	-	12,368
Balancing payments received	(12,643)	(46,904)
Adjustment in respect of prior period	219	4,104
Total current tax charge (see above)	52,358	6,664

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 30 June 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date. The current UK corporate tax rate that has been used for the year is a blended rate of 20.75%. This is on the basis that the rate changed from 21% to 20% as of 1 April 2015.

5 Debtors: Amounts falling due within one year

	30 June 2015 £	30 June 2014 £
Amounts due from Group undertakings	-	42,287
Trade debtors	1,480,888	1,551,293
Other debtors	75,000	78,412
Deferred tax asset	29,810	38,859
Prepayments and accrued income	199,057	161,756
	1,784,755	1,872,607

Deferred tax asset is based on taxation treatment of fixed assets purchased by the company in previous years. All fixed assets were either written off or acquired by a group entity at net book value in the year ended 30 June 2012.

6 Creditors: Amounts falling due within one year

	30 June 2015 £	30 June 2014 £
Amounts due to Group undertakings	-	506,891
Trade creditors	44,287	20,882
Taxation and social security	74,335	141,683
Accruals and deferred income	1,305,989	1,094,664
	1,424,611	1,764,120

Notes (continued)

7 Called up share capital

	30 June 2015 £	30 June 2014 £
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2

8 Reconciliation of movements in shareholder's funds

	30 June 2015 £	30 June 2014 £
Profit for the financial period	254,155	244,684
Dividend paid	-	(145,000)
Net increase to shareholder's funds	254,155	99,684
Opening shareholder's funds	107,127	7,443
Closing shareholder's funds	361,282	107,127

9 Pensions

The company provides pension contributions to certain of its employees' individual personal pension schemes. Contributions are charged in the accounts as stated in note 1 and there were £7,304 (30 June 2014: £20,691) contributions outstanding at the balance sheet date. Pension costs charged in the period were £110,228 (2014: £123,312).

10 Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 Cash Flow Statements, on the grounds of its size.

11 Related party transactions

As at 30 June 2015, the company was owed £1,300,539 (2014: £1,148,050) by Alchemy Special Opportunities LLP, £1,486 (2014: £1,486) by Alchemy Special Opportunities (GP) Limited, £nil (2014: £4,459) by Alchemy Special Opportunities (GP) II Limited, £18,254 (2014: £138,219) by Alchemy Special Opportunities Fund II L.P., £68,461 (2014: £nil) by Alchemy Special Opportunities Fund III L.P. and £nil (2014: £42,287) by Alchemy Partners Guernsey Limited. As at 30 June 2015, the company was owed £13,050 by (2014: £506,891 owed to) Alchemy Partners LLP.

Balancing payments of £8,897 (2014: £30,454) were received from Alchemy Special Opportunities LLP and £3,746 (2014: £16,450) from Alchemy Partners LLP.

12 Ultimate parent undertaking

Alchemy Partners L.P. Inc. acting by its general partner, Alchemy Partners GP Limited, is the ultimate controlling party.