KENNET PARTNERS LIMITED

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

REGISTERED NUMBER
03295094

KENNET PARTNERS LIMITED

Contents

KENNET PARTNERS LIMITED

Company Information

Registered Number	03295094
Board of Directors	Michael Stafford Elias Eric James Filipek Javier Eduardo Rojas Hillel Louis Zidel
Registered Office	1st Floor 9-11 Kingly Street London W1B 5PH
Bankers	Royal Bank of Scotland International 1 Princes Street London EC2R 8BP
Solicitors	Fried, Frank, Harris, Shriver & Jacobson LLP 41 Lothbury London, EC2R 7HF
Independent auditor	PricewaterhouseCoopers CI LLP Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4ND

KENNET PARTNERS LIMITED

Directors' Report

The Directors present their Annual Report and the Audited Financial Statements of the Company for the year ended 31 December 2020. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The Company has not prepared a strategic report as it has taken advantage of the exemption in this respect available for small companies (as defined in Section 414B of the Companies Act 2006).

PRINCIPAL ACTIVITIES
The Company is an investment advisory company. The Company is authorised by the Financial Conduct Authority ("the FCA") to undertake investment advisory services. The Directors are satisfied with the development of the business to date and expect the current activities to continue in the future.

FINANCIAL RISK MANAGEMENT
The Company's operations expose it to certain financial risks such as credit risk, liquidity risk and currency risk. The Company considers financial risks regularly and seeks to limit the adverse effects on the financial performance of the Company.

CREDIT RISK
The Company manages credit risk on cash balances by making sure they bank with highly rated counterparties. The Company is exposed to concentration risk as it has only three clients, Kennet Capital Management (Jersey) Limited, a Jersey based company, Kennet V SCSp, a Luxembourg based private equity fund and Kennet V FPCI, a French private equity fund.

LIQUIDITY RISK
The Company is not exposed to material liquidity risk. The Company has sufficient cash to meet short-term liquidity needs.

CURRENCY RISK
The Company is exposed to currency risk as the management fees for Kennet V SCSp and Kennet V FPCI is determined in Euros.

FUTURE DEVELOPMENTS
The Company will continue to provide investment advice to Kennet V SCSp and Kennet V FPCI.

As at March 2021, the Company has become the investment manager for Kennet II LP, a Guernsey-based venture capital fund, Kennet III (comprised of Kennet III A LP and Kennet III B LP), a Guernsey-based venture capital fund, Kennet IV LP, a Guernsey-based venture capital fund and Viewpoint Growth II (comprised of Viewpoint Growth LP and Viewpoint Growth CV), a US-Dutch venture capital fund. Concurrently, the Company has ceased providing investment advice to Kennet Capital Management (Jersey) Limited.

RESULTS AND DIVIDENDS
The profit for the financial year under review amounted to £241,617 (2019: £269,824). The Directors did not declare or pay a dividend in 2020 (2019: £nil). The statement of financial position shows net assets at year end of £2,206,840 (2019: £1,965,223).

DIRECTORS
The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Michael Stafford Elias, Javier Eduardo Rojas, Eric James Filipek, and Hillel Louis Zidel.

KENNET PARTNERS LIMITED

Directors' Report (continued)

DIRECTORS' INTERESTS

At 31 December 2020, no Director had any notifiable interests in the securities of the Company (2019: none).

Michael Stafford Elias and Javier Eduardo Rojas are partners of Kennet Partners LLP, which is the ultimate parent undertaking of the Company

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each director in office at the date the Directors' report is approved, the following applies:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

INDEPENDENT AUDITORS

An elective resolution to dispense with the annual appointment of Auditors pursuant to Section 487 of the Companies Act 2006 is in force. Accordingly, PricewaterhouseCoopers CI LLP shall be deemed to have been reappointed for 2021 and until such time as a resolution is passed under Section 510 of the Companies Act 2006 to the effect that their appointment be brought to an end.

On behalf of the Board of Directors

Michael Stafford Elias
Director **19 April 2021**

Independent auditors' report to the members of Kennet Partners Limited

Report on the audit of the financial statements

Opinion

In our opinion, Kennet Partners Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the statement of financial position as at 31 December 2020; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 directors are responsible for assessing the Company'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 directors either intend to liquidate the Company 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles governed by the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate the financial performance by increasing turnover or reducing administrative expenses, and management bias in accounting estimates. Audit procedures performed included:

- Enquiries with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant board meeting minutes;
- Assessment of the Company's compliance with laws and regulations, including the relevant requirements set out by the Financial Conduct Authority;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Identifying and testing journal entries, in particular with a focus on period end adjustments.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

John Roche

John Roche (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers CI LLP
Chartered Accountants and Statutory Auditors
Guernsey, Channel Islands

19 April 2021

Statement of Comprehensive Income

	Note	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Turnover	4	6,070,899	4,327,875
Administrative expenses		(5,745,479)	(4,003,320)
Operating Profit	5	325,420	324,555
Interest receivable and similar income	7	-	-
Profit before Taxation		325,420	324,555
Tax on profit	10	(83,803)	(54,731)
Profit for the financial year		241,617	269,824

The notes on pages 11 to 20 form an integral part of these Financial Statements.

All results and comparatives shown in the statement of comprehensive income above are from continuing operations.

KENNET PARTNERS LIMITED

Statement of Financial Position

	Note		As at 31 December 2020 £		As at 31 December 2019 £
Fixed Assets					
Intangible Assets	11		546,327		261,167
Tangible Assets	12		62,138		86,512
Investments	13		20,613		20,613
			629,078		368,292
Current Assets					
Debtors	14	1,819,170		1,556,129	
Cash at bank and in hand		1,518,314		1,010,397	
			3,337,484		2,566,526
Creditors: amounts falling due within one year	15		(1,759,722)		(969,595)
Net Current Assets			1,577,762		1,596,931
Total Assets less Current Liabilities			2,206,840		1,965,223
Net Assets			2,206,840		1,965,223
Capital and Reserves					
Called up share capital	17		480,000		480,000
Profit and loss account			1,726,840		1,485,223
Total Shareholders' Funds			2,206,840		1,965,223

The notes on pages 11 to 20 form an integral part of these Financial Statements.

The Financial Statements on pages 8 to 20 were approved by the Board of Directors on 19 April 2021 and were signed on its behalf by:

Michael Stafford Elias
Director

Statement of Changes in Equity
For the year ended 31 December 2020

	Called Up Share Capital £	Profit and Loss Account £	Total Shareholders' Funds £
Balance as at 1 January 2019	480,000	1,215,399	1,695,399
Profit for the year	-	269,824	269,824
Balance as at 31 December 2019	480,000	1,485,223	1,965,223
Balance as at 1 January 2020	480,000	1,485,223	1,965,223
Profit for the year	-	241,617	241,617
Balance as at 31 December 2020	480,000	1,726,840	2,206,840

Notes to the Financial Statements

1. **GENERAL INFORMATION**

Kennet Partners Limited ('the Company') is a private company limited by shares and is incorporated and domiciled in England, UK. The Company is an investment advisory company.

The address of its registered office is 1st Floor, 9-11 Kingly Street, London W1B 5PH.

2. **STATEMENT OF COMPLIANCE**

The Company financial statements of Kennet Partners Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, ''The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland'' (''FRS 102'') and the Companies Act 2006.

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has taken advantage of the following disclosure exemptions in its individual financial statements under FRS 102:

(i) the requirement to prepare a statement of cash flows, in accordance with Section 7 of FRS102; and

(ii) the non-disclosure of key management personnel compensation in total, FRS 102 paragraph 33.7

3. **ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The more significant accounting policies are listed below:

(a) The financial statements have been prepared under the historical cost convention. The financial statements are prepared on a going concern basis and in accordance with the Companies Act 2006. Accounting policies have been applied consistently to all years presented.

(b) Intangible assets are placement fees measured at cost less accumulated amortisation and any accumulated impairment losses.

Cost includes the original purchase price of the services from the placement agents. Amortisation is calculated so as to write off the cost of intangible assets, less their estimated residual values, on a straight line basis over the expected life of the underlying Fund concerned. The placement fees are amortised over a 5 year period, which is the investment period of the Fund.

Notes to the Financial Statements (continued)

(c) Tangible assets are carried at their original cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Assets are assessed for impairment at each reporting date and any impairment losses are recognised in the Statement of Comprehensive Income. Impairment arises where the recoverable amount is lower than the carrying amount.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The annual rate used for this purpose is:

Leasehold improvements	20% per annum
Fixtures and fittings	20% per annum
Computer equipment	33% per annum

(d) Turnover is recognised when it can be measured reliably and it is probable that the economic benefits associated with the transactions will flow to the Company. Turnover is recognised over the period to which it relates on an accruals basis. Turnover consists of fees receivable for providing advisory services.

(e) Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end and can be found in note 10.

Deferred tax is accounted for on an undiscounted basis at expected rates on all differences arising from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

(f) Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the Statement of Financial Position date. Transactions during the year expressed in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange translation differences are taken to the Statement of Comprehensive Income.

(g) Interest income is accounted for on an accruals basis.

(h) Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

(i) Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(j) Expenses are accounted for on an accrual basis as they are incurred.

Notes to the Financial Statements (continued)

(k) Investments in subsidiaries are held at cost less accumulated impairment losses.

(l) Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no such critical judgements or key accounting estimates used in the preparation of the financial statements.

(m) The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent. The ultimate parent is Kennet Partners LLP.

(n) The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets
Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

Financial liabilities
Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares, 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

4. **TURNOVER**

Turnover consists of fees receivable for providing advisory services. Income is receivable from Jersey, France, Luxembourg, Germany, the UK and the Cayman Islands.

	31 December 2020	31 December 2019
	£	£
European Union	4,524,022	2,914,040
Jersey	1,426,987	1,347,475
UK	109,890	66,360
Cayman Islands	10,000	-
Total	6,070,899	4,327,875

Notes to the Financial Statements (continued)

5. OPERATING PROFIT	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Operating profit is stated after charging:		
Services provided by the Company's auditor:		
- Fees payable for the Audit	43,703	45,973
- Fees payable for other services – tax compliance	7,660	603
Operating lease charges	100,087	103,222
Amortization of intangible assets	94,833	25,053
Depreciation	24,374	23,190
Other expenses (including staff costs)	5,474,822	3,805,279
	5,745,479	4,003,320

The audit fee includes fees payable in respect of Kennet Partners LLP, Kennet Partners Limited and Kennet Partners II LLP.

6. OPERATING LEASE COMMITMENTS

At the reporting date the Company had outstanding commitments for future lease payments under non-cancellable operating leases, which fall due as follows:

	31 December 2020 £	31 December 2019 £
Within one year	137,500	110,000
Between two and five years	220,000	330,000
In over five years	-	-
Total	357,500	440,000

7. INTEREST RECEIVABLE AND SIMILAR INCOME	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Bank interest	-	-

Notes to the Financial Statements (continued)

8. **STAFF COSTS AND EMPLOYEE INFORMATION**

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Staff costs during the year were:		
Wages and salaries	744,233	805,265
Social Security costs	95,086	106,664
Pension costs	6,966	2,759
	846,285	914,688

	Year ended 31 December 2020 Number	Year ended 31 December 2019 Number
The monthly average number of full-time persons employed by the Company during the year was:	8	6
The employee split was:		
Investment	4	3
Administration	4	3

9. **DIRECTORS' EMOLUMENTS**

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Aggregate Emoluments	515,546	765,498
Highest paid Director:		
Aggregate Emoluments	390,549	390,498

The emoluments of four directors (2019: four directors) have been included above. Only one director's emoluments was borne by the Company in the year ended 31 December 2020 (2019: one). One director of the Company received a profit allocation of £390,549 (2019: £390,498) from Kennet Partners II LLP, a subsidiary of Kennet Partners Limited (2019: one). Kennet Partners II LLP provides advisory services to the Company. The remaining directors' emoluments were borne by other companies within the group.

10. TAX ON PROFIT

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
a) Analysis of charge in the year		
Current Tax:		
UK corporation tax at 19% (2019: 19%)	85,478	53,190
Adjustments in respect of previous years	(1,675)	1,541
Total current tax	83,803	54,731
Tax on profit	**83,803**	**54,731**

The tax assessed for the year is the same as (2019: same as) the standard rate of corporation tax in the UK 19.00% (2019: 19.00%).

b) Factors affecting tax charge for the year

Profit before taxation	**325,420**	**324,555**
Profit before taxation multiplied by average rate of corporation tax in the UK of 19% (2019: 19%)	61,830	61,665
Effects of		
Expenses not deductible for tax purposes	23,648	(8,475)
Adjustments in respect of previous years	(1,675)	1,541
Total tax charge for the year	**83,803**	**54,731**

The average corporation tax rate for the year to 31 December 2020 was 19% (2019: 19%)

11. INTANGIBLE ASSETS

	Placement Fees £
Cost	
At 1 January 2020	286,220
Additions	379,993
At 31 December 2020	**666,213**
Accumulated Depreciation	
At 1 January 2020	25,053
Charge for year	94,833
At 31 December 2020	**119,886**
Net Book Value	
At 31 December 2020	546,327
At 31 December 2019	**261,167**

12. TANGIBLE ASSETS

	Leasehold Improvements £	Fixtures and Fittings £	Computer Equipment £	Total £
Cost				
At 1 January 2020	63,593	27,860	18,249	109,702
Additions	-	-	-	-
At 31 December 2020	**63,593**	**27,860**	**18,249**	**109,702**
Accumulated Depreciation				
At 1 January 2020	12,539	5,384	5,267	23,190
Charge for year	12,719	5,572	6,083	24,374
At 31 December 2020	**25,258**	**10,956**	**11,350**	**47,564**
Net Book Value				
At 31 December 2020	38,335	16,904	6,899	62,138
At 31 December 2019	**51,054**	**22,476**	**12,982**	**86,512**

13. INVESTMENTS

	31 December 2020 £	31 December 2019 £
Subsidiary undertaking	20,613	20,613
	20,613	20,613

Movement in investments in subsidiaries during the year are summarised as follows:

	Subsidiary undertakings £
At 1 January 2020	20,613
Additions in the year	-
Cost and net book value at 31 December 2020	20,613

£800 (2019: £800) represents the capital contribution made to Kennet Partners II LLP (Registered Office: 1st Floor, 9-11 Kingly Street, London W1B 5PH). The Company owns 89% (2019: 89%) of Kennet Partners II LLP. Kennet Partners II LLP is a limited liability partnership registered in England. £19,813 of the balance represents 25,000 €1 ordinary shares in Kennet Partners GmbH (Registered Office: Nordstrasse 116, D-40477 Düsseldorf, Germany). The directors believe that the carrying value of the investments is supported by their underlying net assets.

14. DEBTORS

	31 December 2020 £	31 December 2019 £
Trade Debtors	6,136	1,540
Amounts owed by group undertakings	1,556,704	1,274,154
Value Added Tax Recoverable	131,732	74,963
Prepayments and Accrued Income	124,598	205,472
	1,819,170	1,556,129

Amounts owed by Group Undertakings are interest free, unsecured and there is no fixed date for repayment.

Notes to the Financial Statements (continued)

	31 December 2020 £	31 December 2019 £
15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade creditors	(241,815)	(18,000)
Amounts owed to group undertakings	(1,018,488)	(732,142)
Corporation tax	(61,478)	(29,190)
Other taxation and social security	(37,419)	(45,054)
Accruals and Deferred income	(382,057)	(145,209)
Financial Instruments - Derivatives	(18,465)	-
	(1,759,722)	(969,595)

Amounts owed to Group Undertakings are interest free, unsecured and there is no fixed date for repayment.

16. FINANCIAL INSTRUMENTS

The Company has the following financial instruments:

	31 December 2020 £	31 December 2019 £
Financial assets that are debt instruments measured at amortised cost		
- Amounts owed to group undertakings	1,556,704	1,274,154
- Trade and other debtors	137,868	76,503
	1,694,572	1,350,657
Financial liabilities measured at amortised cost		
- Amounts owed to group undertakings	(1,018,488)	(732,142)
- Trade and other creditors	(722,769)	(237,453)
Financial liabilities at Fair Value through Profit and Loss		
- Financial Derivative - Forward Currency Contract	(18,465)	-
	(1,759,722)	(969,595)

16. **FINANCIAL INSTRUMENTS (continued)**

The Company enters into forward currency contracts to mitigate the exchange rate risk for certain foreign currency payables. At 31 December 2020, the outstanding contracts all mature within 3 months of the year end. The Company is committed to buy US$312,400 and pay a fixed Euro amount of €275,000.

The forward currency contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key inputs used in valuing the derivatives are the forward exchange rates for EUR:USD. The fair value of the forward-foreign currency contract liability is £18,465.

17. **CALLED UP SHARE CAPITAL**

	31 December 2020 £	31 December 2019 £
Authorised		
600,000 (2019: 600,000) ordinary shares of £1 each	600,000	600,000
Allotted and partly paid		
600,000 (2019: 600,000) ordinary shares of £1 each, paid-up as to 80 pence per share	480,000	480,000

18. **RELATED PARTY TRANSACTIONS**

Within administrative expenses, there is an expense of £390,549 (2019: £390,498) which is related to Kennet Partners II LLP, a sub-advisor to the Company. At the year end £111 (2019: £111) was outstanding and included within other debtors.

19. **SUBSEQUENT EVENTS**

As at March 2021, Kennet Partners Limited has become the investment manager for Kennet II LP, a Guernsey-based venture capital fund, Kennet III (comprised of Kennet III A LP and Kennet III B LP), a Guernsey-based venture capital fund, Kennet IV LP, a Guernsey-based venture capital fund and Viewpoint Growth II (comprised of Viewpoint Growth LP and Viewpoint Growth CV), a US-Dutch venture capital fund. Concurrently, Kennet Partners Limited has ceased providing investment advice to Kennet Capital Management (Jersey) Limited.

There have been no other events subsequent to 31 December 2020 through the date the financial statements were issued that require additional disclosure.

20. **ULTIMATE AND IMMEDIATE PARENT HOLDING COMPANIES**

The Company's immediate parent undertaking is Kennet Venture Holdings LLC, a Delaware limited liability company. The Company's ultimate parent undertaking and controlling party is Kennet Partners LLP, a UK limited liability partnership and advantage has been taken of section 400 of the Companies Act 2006 which exempts the Company from the requirement to present consolidated financial statements. Copies of the consolidated Financial Statements of the ultimate parent undertaking are available from Companies House.