

Sussex Place Ventures Limited

Report and Financial Statements

17 months ended 31 December 2014

Company Number 3610855

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Sussex Place Ventures Limited

**Report and financial statements
for the 17 months ended 31 December 2014**

Registered office

18-20 Huntsworth Mews, London, NW1 6DD

Company number

3610855

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0PA

Bankers

Barclays Bank plc, 50 Pall Mall, London, SW1A 1QB

Sussex Place Ventures Limited

Report of the directors for the 17 months ended 31 December 2014

The directors present their report together with the audited financial statements for the 17 months ended 31 December 2014

Results and dividends

The profit and loss account is set out on page 4 and shows the loss for the period. The comparative information within these financial statements relates to the year ended 31 July 2013. The directors do not recommend the payment of a dividend (2013 - £Nil)

Principal activities

The Company provides investment management services to venture capital funds and is authorised and regulated by the Financial Conduct Authority.

The funds are constituted as limited partnerships with investors having the status of limited partners. The general partners of these limited partnerships are limited companies and subsidiaries of Sussex Place Ventures Limited. Under the partnership agreements of the funds, the general partners have appointed Sussex Place Ventures Limited as investment manager with control over investment decisions.

Review of the business

The business of the Company is to manage the following venture capital funds: Combined London Colleges University Challenge LP ('CLCUC'), Regents Park Partners LP ('RPP') and Regents Park Partners II ECF LP ('RPP2').

The CLCUC fund was created in 1999 for the purpose of facilitating the commercial exploitation of academic research discoveries in the non-life science departments of the limited partner university colleges. A total of £4m was raised in the CLCUC fund, £3m of which was provided by The Office of Science and Technology as an award to the limited partner university colleges. The fund currently has five separate investments.

The RPP fund was created in 2007, with fundraising completed in 2008. Since then, Sussex Place Ventures Limited has leveraged the experience, knowledge and industry connections of London Business School's alumni for the benefit of the investors in this fund. Once the fund has returned to limited partners a sum equal to their commitments, further distributions (fund profit) will be shared with the London Business School Anniversary Trust. The Company raised £5.66 million in the RPP fund from more than 40 investors. The fund currently has six investments. It invests in a variety of earlier stage businesses, appropriately-sized development capital deals and pre-IPO investments in more mature businesses alongside co-investors.

The RPP2 fund was created in 2014, with fundraising completed in the period. The Company raised £30 million in the RPP2 fund from more than 80 investors and the UK government. The fund currently has three investments. It invests in a variety of earlier stage businesses, appropriately-sized development capital deals and pre-IPO investments in more mature businesses alongside co-investors.

The business has performed in line with expectations during the financial period under review and is well placed at the period end with a healthy cash position. The directors are satisfied with the results achieved by the Company during the period.

Principal risks

Working capital requirements are met principally out of retained profits. In addition, trade debtors and trade creditors arise directly from the Company's operations. The Company does not enter into any hedging arrangements.

The Company's credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on new customers and by monitoring payments against contractual agreements. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

The Company's policy in respect of liquidity risk is to maintain readily accessible bank deposit accounts to ensure that the Company has sufficient funds for operations. The cash deposits are held in a mixture of short-term deposits and current accounts.

Sussex Place Ventures Limited

Report of the directors for the 17 months ended 31 December 2014 (*continued*)

Directors

The directors of the Company during the period were

P D Atherton
A J Bates
I M Laing (resigned 13 January 2014)
R I Gourlay
D J Murray
C Gailly de Taurines
D Thorp
J Brimacombe (appointed 16 April 2014)
M Murphy (appointed 16 April 2014)
S Randeree (appointed 16 April 2014)
B Terry (appointed 16 April 2014)

Directors' responsibilities

The directors are responsible for preparing the annual 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 the directors have elected to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities (Financial Reporting Standard for Smaller Entities (effective April 2008) 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 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, 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 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.

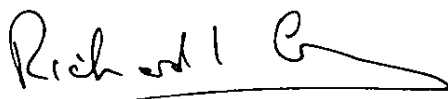
Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

In preparing this director's report, advantage has been taken of the small companies exemption.

On behalf of the Board

R I Gourlay
Director



Date 27.4.15

Sussex Place Ventures Limited

Report of the independent auditors

TO THE MEMBERS OF SUSSEX PLACE VENTURES LIMITED

We have audited the financial statements of Sussex Place Ventures Limited for the 17 months ended 31 December 2014 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC'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 FRC'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 the Company's loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

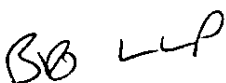
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period 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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.



Andrew Stickland (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom

Date 12 May 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Sussex Place Ventures Limited

Profit and loss account for the 17 months ended 31 December 2014

| | Note | Period ended 31 December 2014 £ | Year ended 31 July 2013 £ |
|--|------|---|---------------------------------------|
| Turnover | 1 | 727,547 | 239,697 |
| Administrative expenses | | <u>(740,550)</u> | <u>(397,194)</u> |
| Operating (loss) | 2 | (13,003) | (157,497) |
| Interest receivable | | 99 | 345 |
| (Loss) on ordinary activities before and after taxation | | <u>(12,904)</u> | <u>(157,152)</u> |

All amounts relate to continuing activities

All recognised gains and losses are included in the profit and loss account

The notes on pages 6 to 8 form part of these financial statements


Sussex Place Ventures Limited

Balance sheet at 31 December 2014

| Company number 3610855 | Note | 31 Dec 2014 £ | 31 Dec 2014 £ | 31 Jul 2013 £ | 31 Jul 2013 £ |
|---|------|---------------------|---------------------|---------------------|---------------------|
| Fixed assets | | | | | |
| Investments in subsidiaries | 4 | | <u>9</u> | | <u>7</u> |
| | | | 9 | | 7 |
| Current assets | | | | | |
| Investments | 5 | - | | 508 | |
| Debtors | 6 | 14,575 | | 7,670 | |
| Cash at bank | | <u>88,986</u> | | <u>44,895</u> | |
| | | 103,561 | | 53,073 | |
| Creditors, amounts falling due within one year | 7 | <u>95,985</u> | | <u>32,591</u> | |
| Net current assets | | | <u>7,576</u> | | <u>20,482</u> |
| Total assets less current liabilities | | | <u>7,585</u> | | <u>20,489</u> |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 5,000 | | 5,000 |
| Profit and loss account | 9 | | <u>2,585</u> | | <u>15,489</u> |
| Shareholders' funds | | | <u>7,585</u> | | <u>20,489</u> |

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board and authorised for issue on 27 4 15



R I Gourlay
Director

The notes on pages 6 to 8 form part of these financial statements

Sussex Place Ventures Limited

Notes forming part of the financial statements for the 17 months ended 31 December 2014

1 Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) – ('FRSSE') The Company has adopted the FRSSE for the first time in this accounting period. However this has not had any impact upon the current or prior period financial information nor on any of the accounting policies set out below.

The Company has elected not to produce consolidated accounts nor to produce a cash flow statement as permitted by the FRSSE. These financial statements therefore present information about the Company only and not about its group.

The following principal accounting policies have been applied:

Turnover

Turnover comprises the value of services provided during the period in the normal course of business. Management fees are recognised in the profit and loss account in the period to which its guaranteed receipt relates. Directors' fees are recognised upon provision of directors' services and time. Arrangement fees are recognised when the relevant transaction is completed, in accordance with the underlying agreement.

All turnover arises from the conduct of investment management services and related corporate finance services solely within the United Kingdom.

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for impairment. Investments held as current assets are stated at the lower of cost and net realisable value.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation

Deferred tax balances are recognised in respect of all material timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the Company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Operating leases

Operating lease annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

2 Operating loss has been arrived at after charging/(crediting):

| | Period ended 31 December 2014 £ | Period ended 31 July 2013 £ |
|---|--|--------------------------------------|
| Depreciation | - | 211 |
| Auditor's remuneration for audit services | 13,000 | 10,100 |
| Hire of other assets - operating leases | 12,000 | 12,000 |
| Profit on sale of current asset investments | (3,577) | - |
| Director's remuneration | 347,706 | 130,000 |

Sussex Place Ventures Limited

Notes forming part of the financial statements
for the 17 months ended 31 December 2014 (*continued*)

3 Tangible assets

| | Office equipment £ |
|--|--------------------------|
| At 1 August 2013 and 31 December 2014 | |
| Cost and accumulated depreciation | 42,353 |
| Net book value | - |

4 Fixed asset investments in subsidiary undertakings

| | £ |
|--------------------------------|----------|
| <i>Cost and net book value</i> | |
| At 1 August 2013 | 7 |
| Additions | 2 |
| At 31 December 2014 | 9 |

The following were subsidiary undertakings at the end of the period. In each case the Company held 100% of the voting rights and ordinary capital at 31 December 2014.

| Name | Nature of business |
|--|---|
| Sussex Place (General Partner) Limited | General partner of venture capital fund |
| Sussex Place II (General Partner) Limited | General partner of venture capital fund |
| Combined London Colleges (General Partner) Limited | General partner of venture capital fund |
| Sussex Place (Founder Partner) Limited | Founder partner of venture capital fund |
| Sussex Place II Founder Partner Limited | Founder partner of venture capital fund |
| Sussex Place II General Partner Limited | General partner of venture capital fund |

5 Current asset investments

The Company disposed of its shares in Bamboo Investments (Isle of Man) PLC during the period for a gain of £3,577.

6 Debtors

| | 31 December 2014 £ | 31 July 2013 £ |
|-------------------------------------|--------------------------|----------------------|
| Trade debtors | - | 27 |
| Prepayments and accrued income | 14,751 | 5,978 |
| Amounts due from group undertakings | 4 | 4 |
| Other debtors | - | 1,661 |
| | 14,575 | 7,670 |

All amounts fall due for payment within one year.

7 Creditors amounts falling due within one year

| | 31 December 2014 £ | 31 July 2013 £ |
|-----------------------------------|--------------------------|----------------------|
| Taxation and social security | 18,659 | 11,501 |
| Other creditors | 7,525 | 6,105 |
| Accruals and deferred income | 29,215 | 14,401 |
| Amounts due to group undertakings | 586 | 584 |
| Loan from director | 40,000 | - |
| | 95,985 | 32,591 |

Sussex Place Ventures Limited

Notes forming part of the financial statements for the 17 months ended 31 December 2014 (continued)

8 Share capital

At 1 August 2013 and 31 December 2014, the Company had £5,000 of share capital represented by 5,000 allotted, called up and fully paid up ordinary shares of £1 each

9 Profit and loss account

| | |
|-------------------------------|--------------|
| | £ |
| As at 1 August 2013 | 15,489 |
| Loss for the period | (12,904) |
| As at 31 December 2014 | 2,585 |

10 Revenues from the partnerships and contingent liabilities

The subsidiaries of the Company are general and founder partners in limited partnerships operating as venture capital investment funds. They are entitled to a guaranteed income from the partnerships, but do not otherwise participate in partnership assets. If, upon the winding up of a partnership, the liabilities of the partnership exceed the limited partners' outstanding capital and loans, the subsidiaries are liable for the shortfall of assets. The directors are of the opinion that no liability is likely to arise in this respect.

11 Commitments under operating leases

At 1 August 2013 and 31 December 2014, the Company had annual commitments under non-cancellable operating leases which expire within one year totalling £12,000.

12 Related party transactions

The Company has taken advantage of the exemption under the FRSSE not to disclose transactions with members of the group headed by London Business School on the grounds that 100% of the voting rights in the Company are controlled within that group and the Company is included in consolidated financial statements.

The Company's subsidiaries are the general partners of venture capital funds Combined London Colleges University Challenge LP, Regents Park Partners LP and Regents Park Partners II ECF LP. Income included in the profit and loss account for the period relating to management of these funds, which is payable to the Company's subsidiaries and then paid up to the Company under the terms of a management agreement, was as follows:

| | Period ending 31 December 2014 £ | Period ending 31 July 2013 £ |
|--|---|---------------------------------------|
| Combined London Colleges University Challenge LP | 76,500 | 117,191 |
| Regents Park Partners LP | 187,770 | 114,507 |
| Regents Park Partners II ECF LP | 450,000 | - |

During the period directors P D Atherton and I M Laing each loaned the Company £40,000 on an interest free basis. These loans were subordinated to ordinary creditors. During the period the loan from I M Laing was repaid. The loan from P D Atherton remained outstanding at the end of the period and was repaid in January 2015.

13 Controlling party information

At 31 December 2014 the Company's immediate parent company was London Business School Anniversary Trust. Consolidated financial statements are not prepared by London Business School Anniversary Trust. The Company's ultimate controlling entity was London Business School, whose consolidated financial statements may be obtained from the Finance Director, London Business School, Regent's Park, London NW1 4SA.