

AFM R101 VENTURES LIMITED

**Company Registration Number:
04274723 (England and Wales)**

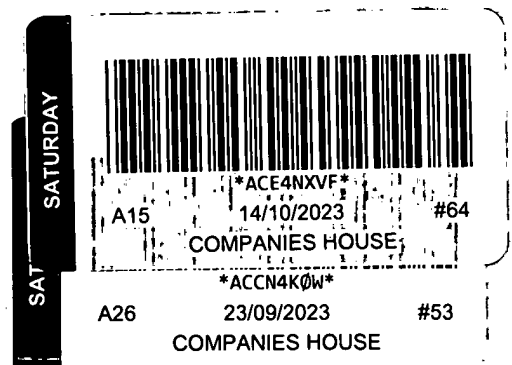
Unaudited abridged accounts for the year ended 29 March 2022

Period of accounts

Start date: 01 April 2021

End date: 29 March 2022

Amended



AFM R101 VENTURES LIMITED

Balance sheet

As at 29 March 2022

	<i>Notes</i>	<i>2022</i>	<i>2021</i>
		<i>£</i>	<i>£</i>
Current assets			
Creditors: amounts falling due within one year:		(43,626)	(43,626)
Net current assets (liabilities):		<u>(43,626)</u>	<u>(43,626)</u>
Total assets less current liabilities:		(43,626)	(43,626)
Total net assets (liabilities):		<u>(43,626)</u>	<u>(43,626)</u>
Capital and reserves			
Called up share capital:		1	1
Profit and loss account:		(43,627)	(43,627)
Shareholders funds:		<u>(43,626)</u>	<u>(43,626)</u>

The notes form part of these financial statements

AFM R101 VENTURES LIMITED

Balance sheet statements

For the year ending 29 March 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The members have agreed to the preparation of abridged accounts for this accounting period in accordance with Section 444(2A).

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The directors have chosen to not file a copy of the company's profit & loss account.

**This report was approved by the board of directors on 12 July 2023
and signed on behalf of the board by:**

Name: Mark Borzomato
Status: Director



The notes form part of these financial statements

AFM R101 VENTURES LIMITED

Notes to the Financial Statements

for the Period Ended 29 March 2022

1. Accounting policies

These financial statements have been prepared in accordance with the provisions of Section 1A (Small Entities) of Financial Reporting Standard 102

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

Merseyside Special Investment Venture Fund LP

Annual Report and Financial Statements

Year Ended

31 March 2022

Company Number LP005085



Merseyside Special Investment Venture Fund LP

Partnership Information

General Partner AFM R101 Ventures Limited

Registered number LP005085

Registered office Suit 6c
The Plaza
100 Old Hall Street
Liverpool
L3 9QJ

Independent auditor KPMG LLP
8 Princes Parade
Liverpool
L3 1QH

Bankers Natwest Bank
2-8 Church Street
Liverpool
L1 3GB

Merseyside Special Investment Venture Fund LP

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Merseyside Special Investment Venture Fund LP

General Partner's Report For the Year Ended 31 March 2022

The General Partner presents the report together with the audited financial statements for the year ended 31 March 2022.

Based on its size, Merseyside Special Investment Fund LP ("the Partnership") has met the requirements in the Companies Act 2006 to claim exemption from preparing a strategic report.

Principal activity

The Partnership was established by Merseyside Special Investment Fund Limited.

The Partnership's aim is to establish, support and monitor investment funds which provide venture capital to small and medium sized enterprises (SMEs) operating in the county of Merseyside, thereby assisting to regenerate business in the region. The Partnership is supported and part-financed in this project by European Regional Development Funding via the European Community's Objective 1 Programme.

The Partnership is now fully invested and in its realisation phase.

Financial results

The Partnership made a profit of £88,651 (2021 - £259,920) for the year ended 31 March 2021. This has been transferred to the Partners' current accounts.

Going concern

The financial statements have been prepared on a going concern basis which the General Partner considers to be appropriate for the following reasons:

The nature of the Partnership's business model is such that it has very low and stable levels of expenditure and commitments that are settled in cash and these can be forecast with a high degree of reliability even in reasonable possible downside scenarios. Consequently the General Partner has not required detailed cashflow forecasts to be prepared but has instead assumed that expenditure is consistent with actual experience in making their going concern assessment, which is for the 12 month period subsequent to signing these financial statements.

The General Partner is confident that the Partnership will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Partners

AFM R101 Ventures Limited, with a 0% interest in the capital of the Partnership, acts as a General Partner to the Partnership and the following are the Limited Partners with interest in the capital of the Partnership to the extent shown below:

Alan Mawson (5%) - Founder Partner
Chase Nominees Limited (8%) - Ordinary Limited Partner
Fedelta Trust Limited (5%) - Founder Partner
Hugh Stewart (5%) - Founder Partner
Mersey Nominees Limited (32%) - Ordinary Limited Partner
Merseyside Special Investment Venture Fund Limited (40%) - Initial Limited Partner
Peter Dohrn (5%) - Founder Partner

Merseyside Special Investment Venture Fund LP

General Partner's Report (continued) For the Year Ended 31 March 2022

Directors of the General Partner

The directors who served during the year ended 31 March 2022 and up to the date of signing the financial statements, were as follows:

Non Executive Directors

Mr J L Walker
Mr J Khilosia (resigned 30 June 2022)
Mr H E Pittaway

Executive Directors

Mr M Borzomato
Mr M d'Abbadie

Political contributions

The Partnership made no political donations and incurred no political expenditure during the year (2021 - £Nil).

Disclosure of information to auditor

The General Partner at the time when this General Partner's Report is approved has confirmed that:

- so far as they aware, there is no relevant audit information of which the Partnership's auditor is unaware; and
- has taken all the steps that ought to have been taken as a General Partner in order to be aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

Auditor

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 31st August 2023

and signed on its behalf.



M Borzomato
For the General Partner
AFM R101 Ventures Limited

Merseyside Special Investment Venture Fund LP

Statement of General Partners' Responsibilities in respect of the General Partners' Report and the Financial Statements For the Year Ended 31 March 2022

The General Partners are responsible for preparing the General Partner's Report and the financial statements in accordance with applicable law and regulations.

The Partnerships (Accounts) Regulations 2008 require the General Partners to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- assess the Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Partnership or to cease operations, or have no realistic alternative but to do so.

The General Partners are responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Partnership and to prevent and detect fraud and other irregularities.

Merseyside Special Investment Venture Fund LP

Independent Auditor's report to the Partners of Merseyside Special Investment Venture Fund LP

Opinion

We have audited the financial statements of Merseyside Special Investment Venture Fund LP ("the qualifying partnership") for the year ended 31st March 2022, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Partner's Capital and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to the qualifying partnerships by The Partnerships (Accounts) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under and are independent of the qualifying partnership in accordance with, UK ethical requirements including the FRC Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 2 to the financial statements. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The General Partners have prepared the financial statements on the going concern basis as they do not intend to liquidate the qualifying partnership or to cease its operations, and as they have concluded that the qualifying partnership's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the General Partners' conclusions, we considered the inherent risks to the Partnership's business model and analysed how those risks might affect the Partnership's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the General Partners' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the General Partners' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Partnership's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Partnership will continue in operation.

Merseyside Special Investment Venture Fund LP

Independent Auditor's report to the Partners of Merseyside Special Investment Venture Fund LP (continued)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of General Partners and inspection of policy documentation as to the Partnership's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are few judgmental elements to revenue.

We also identified a fraud risk related to the valuation of equity investments in response to possible pressures to enhance the asset position of the Partnership.

We also performed procedures including;

- identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those with descriptions that could indicate fraudulent posting or unusual journal combinations to investments and cash.
- Reperforming management's fair value calculation for a sample of equity investments, vouching key inputs to supporting documentation and assessing whether the valuation method is appropriate. Discussion with the investment managers and the investment panel also formed part of this assessment.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the General Partners and other management (as required by auditing standards), and from inspection of the Partnership's regulatory and legal correspondence and discussed with the General Partners and other management the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Partnership is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Merseyside Special Investment Venture Fund LP

Independent Auditor's report to the Partners of Merseyside Special Investment Venture Fund LP (continued)

Fraud and breaches of laws and regulations – ability to detect (continued)

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations (continued)

Secondly, the Partnership is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Partnership's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, antibribery, employment law, and financial conduct authority regulations recognising the nature of the Partnership's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the General Partners and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The General Partners are responsible for the other information, which comprises the General Partners' report. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the Partnership, 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 partners' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partners were not entitled to prepare the financial statements in accordance with the small companies regime, or take advantage of the small limited liability partnership's regime.

We have nothing to report in these respects.

Merseyside Special Investment Venture Fund LP

Independent Auditor's report to the Partners of Merseyside Special Investment Venture Fund LP (continued)

General Partners' responsibilities

As explained more fully in their statement set out on page 3, the General Partners are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; assessing the Partnership'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 they either intend to liquidate the Partnership or to cease operations, or have no realistic alternative but to do so.

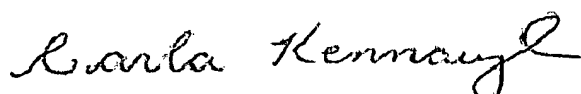
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Partnership's General Partners, 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 Partnership's General Partners 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 Partnership and the Partnership's General Partners, as a body, for our audit work, for this report, or for the opinions we have formed.



Carla Kennaugh (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH

Date: 31 August 2023

Merseyside Special Investment Venture Fund LP

Profit and Loss Account and Other Comprehensive Income For the Year Ended 31 March 2022

	Note	2022 £	2021 £
Income from fixed asset investments		35,051	-
Gross profit		35,051	-
Administrative expenses		(8,400)	(10,080)
Movement in fair value of investments	5	62,000	-
Movement in provision for investment losses		-	270,000
Profit for the financial year		88,651	259,920

There was no other comprehensive income for 2022 (2021 - £Nil).

The notes on pages 10 to 15 form part of these financial statements.

Merseyside Special Investment Venture Fund LP

Registered number:LP005085

Balance Sheet As at 31 March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Investments	5		340,014		278,014
Current assets					
Cash at bank and in hand		338,416		313,445	
Current liabilities					
Creditors: amounts falling due within one year	6	(8,400)		(10,080)	
Net current assets			330,016		303,365
Total assets less current liabilities			670,030		581,379
Net assets			670,030		581,379
Partners' capital represented by:					
Partners' capital accounts	7		5,007,500		5,007,500
Partners' current account	7		(4,337,470)		(4,426,121)
Total equity			670,030		581,379

The Partner acknowledges their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The limited partnership's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the General Partner and were signed on its behalf on 31st August 2023


M Borzomato
For the General Partner
AFM R101 Ventures Limited

The notes on pages 10 to 15 form part of these financial statements.

Merseyside Special Investment Venture Fund LP

Notes to the Financial Statements For the Year Ended 31 March 2022

1. General information

Merseyside Special Investment Venture Fund Limited Partnership (the "Partnership") is registered in England and Wales as a Limited Partnership under the Limited Partnerships Act 1907. The registered number is LP005085 and the registered address is 2nd Floor, Exchange Court, 1 Dale Street, Liverpool, L2 2PP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Partnership's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Measurement convention

The financial statements are prepared on the historical cost basis except for equity investments which are stated at their fair value.

2.3 Going concern

The financial statements have been prepared on a going concern basis which the General Partner considers to be appropriate for the following reasons:

The nature of the Partnership's business model is such that it has very low and stable levels of expenditure and commitments that are settled in cash and these can be forecast with a high degree of reliability even in reasonable possible downside scenarios. Consequently the General Partner has not required detailed cashflow forecasts to be prepared but has instead assumed that expenditure is consistent with actual experience in making their going concern assessment, which is for the 12 month period subsequent to signing these financial statements.

The General Partner is confident that the Partnership will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

2.4 Turnover - investment income

Investment income represents dividends receivable and realisations from fixed asset investments.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Merseyside Special Investment Venture Fund LP

Notes to the Financial Statements For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.6 Financial instruments

Other debtors/Trade and other creditors

Other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that be measured reliably are measured at fair value with changes recognised in profit or loss; such changes are non cash items.

Non-equity investments

Non-equity investments are recognised initially at transaction price, including transaction costs, and subsequently held at amortised cost, less any impairment.

Fair value measurement

Fair value is the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction. The following hierarchy is used to estimate fair values:

(a) The best evidence of fair value is a quoted price for an identical asset in an active market. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly counting market transactions on an arm's length basis. The quoted price is usually the current bid price.

(b) When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the Partnership can demonstrate that the last transaction price is not a good estimate of fair value (eg. because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distress sale), that price is adjusted.

(c) If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the partnership estimates the fair value by using a valuation technique. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

The General Partner determines the fair value of the investments with reference to the hierarchy.

Classification of capital called and loans advanced by the Limited Partners to the Partnership

In accordance with FRS 102.22 capital called and loans advanced by the Limited Partners to the Partnership are treated as part of the Partners' equity as they include no contractual obligations upon the Partnership to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Partnership.

Merseyside Special Investment Venture Fund LP

Notes to the Financial Statements For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.7 Impairment excluding deferred tax assets

Financial assets (including other debtors and non-equity investments)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

2.8 Taxation

The Partnership is exempt from paying income taxes with the Partners being ultimately responsible for any tax due.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities and revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key judgements and estimates made by the General Partner in the application of these accounting policies are in respect of the valuation of investments.

4. Employees

The Partnership has no employees (2021 - Nil).

Merseyside Special Investment Venture Fund LP

Notes to the Financial Statements For the Year Ended 31 March 2022

5. Fixed asset investments

	Equity £	Non-Equity £	Total £
Cost or valuation			
At 1 April 2021	1,294,892	14	1,294,906
Movement in fair value	62,000	-	62,000
At 31 March 2022	1,356,892	14	1,356,906
Impairment			
At 1 April 2021	1,016,892	-	1,016,892
Provision movement in the year	-	-	-
At 31 March 2022	1,016,892	-	1,016,892
Net book value			
At 31 March 2022	340,000	14	340,014
At 31 March 2021	278,000	14	278,014

The General Partner believes that the carrying value of the investments is supported by their underlying net assets.

At 31 March 2022 the following investment, representing 20% or more of the nominal value of the invested company's shares, were held by the Partnership.

Name	Principal activity	Registered office	Class of shares	Holding
Pepsyn Limited	Research and development of pharmaceutical healthcare products	C/o ETNA Limited, William Russell House, Lightwater, GU18 5SS	Ordinary shares 0.001p	35%

The accounting year end of Pepsyn Limited is 30 April 2021. Pepsyn Limited's loss for the year ended 30 April 2021 was £446 (2020 - loss of £500) and it had net liabilities of £1,642,252 at that date (2020 - net liabilities of £1,641,806).

6. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other creditors	8,400	10,080

Merseyside Special Investment Venture Fund LP

Notes to the Financial Statements For the Year Ended 31 March 2022

7. Partners' accounts

	At 1 April 2021 £	Movement £	At 31 March 2022 £
Capital accounts			
Merseyside Special Investment Venture Fund Limited	5,000,000	-	5,000,000
Mersey Nominees Limited	4,000	-	4,000
Chase Nominees Limited	1,000	-	1,000
Peter Dohrn	563	-	563
Alan Mawson	563	-	563
Hugh Stewart	563	-	563
Fedelta Trust Limited	811	-	811
	<u>5,007,500</u>	<u>-</u>	<u>5,007,500</u>
	At 1 April 2021 £	Share of profit for the year £	At 31 March 2022 £
Current accounts			
Merseyside Special Investment Venture Fund Limited	(4,689,755)	44,326	(4,645,430)
Mersey Nominees Limited	210,906	35,460	246,366
Chase Nominees Limited	52,728	8,865	61,593
Peter Dohrn	-	-	-
Alan Mawson	-	-	-
Hugh Stewart	-	-	-
Fedelta Trust Limited	-	-	-
	<u>(4,426,121)</u>	<u>88,651</u>	<u>(4,337,470)</u>

The above nominee companies are holding interests in the Limited Partnerships on behalf of pension funds.

The Partners' loans only become payable upon realisation of the investment portfolio.

The current account allocations are stated so as to distribute the losses to date amongst the Limited Partners only in proportion to their contributions.

Any ultimate surpluses would be distributed as follows:

1. Full Repayment to the Ordinary Limited Partners together with such sum as equals 10% internal rate of Return on the Partnership Interests of the Ordinary limited Partners.
2. Full Repayment to the Initial Limited Partner together with such sums as equals 10% internal rate of Return on its Partnership Interest.

Merseyside Special Investment Venture Fund LP

Notes to the Financial Statements For the Year Ended 31 March 2022

7. Partners' accounts (continued)

3. Such sum as is required to achieve a payment of carried interest to the Founder Partners of 10% of all gains in excess of Full repayment to all Limited Partners.
4. Thereafter distribution as to 90% to the Ordinary Limited Partners and 10% to the Founder Farmers up to such sum as is required to achieve (in aggregate with all distributions previously received) and internal rate of return of 15% on the Partnership Interests of the Ordinary Limited Partners.
5. Thereafter distribution as to 90% to the Initial Limited Partner and 10% to the Founder Partners up to such sum as is required to achieve (in aggregate with all distributions previously received) an internal rate of Return of 15% on the Partnership Interest of the Initial Limited Partner.
6. Thereafter such sum is required to achieve (in aggregate with all distributions previously received) a payment of carried interest to the Founder Partners of 15% of all gains in excess of Full Repayment to all Limited Partners.
7. Thereafter distribution as to 85% to the Ordinary Limited Partners and 15% to the Founder Partners up to such sum as is required to achieve (in aggregate with all distributions previously received) an internal rate of Return of 20% on the Partnership Interests of the Ordinary Limited Partners.
8. Thereafter distribution as to 85% to the Initial Limited Partner and 15% to the Founder Partners up to such sum as is required to achieve (in aggregate with all distributions previously received) an internal rate of Return or 20% on the Partnership Interest of the Initial Limited Partner.
9. Such sum as is required to achieve (in aggregate with all distributions previously received) a payment of carried interest to the Founder Farmers of 20% of all gains in excess of full Repayment to all Limited Partners.
10. Thereafter all distributions shall be made in the following proportions:-

Ordinary Limited Partners	40%
Initial Limited Partner	40%
Founder Partners	20%

8. Related party transactions

During the year the Partnership made no distributions out of anticipated surpluses under the Limited Partnership agreement.

All transactions with the Partners that are considered to be related parties are shown in note 7. There are no other related party transactions.

9. Controlling party

The ultimate parent company and the smallest and largest group in which the results of Merseyside Special Investment Venture Fund LP are consolidated is Merseyside Special Investment Fund Limited, a company registered in England and Wales. Copies of the consolidated financial statements of Merseyside Special Investment Fund Limited may be obtained from the company's registered address at Suite 6c, the Plaza, 100 Old Hall Street, Liverpool, England, L3 9QJ.